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International Commerce

May 19, 1969

April 1969, IMIS 69-105

INTERNATIONAL MARKETING INFORMATION SERVICE

WORLD MARKETS FOR U.S. EXPORTS

Mechanical Transmission Equipment-U.K.

Imports Expected to Reach $90 Million by 1971

British industry purchased approximately $450 million ' of mechanical transmission equipment, including bearings, in 1968. Based upon the growth trend in the machinery industry, it is expected that purchases will increase to $525 million by 1971.

Projected for 1971:

Total consumption	$525,000,000
Import demand	90,000,000
Growth in demand	25%
Growth in imports	30%

the world's fourth largest im- sion units and the sixth largest '967. The United States was the lier of these commodities.

mechanical transmission equip- million in 1965 ; an increase of e estimated to current trends, 90 million by

the comprehensive range of equipment produced in quantity in the United States, British users can often make cost savings on U.S. products which are not mass-produced in the United Kingdom. Even in the case of standard products, such as V-belts, U.S. goods can often compete because of their higher quality and durability.

The survey identified the following products as having the greatest export sales potential:

Bearings: annual ball bearings; tapered roller bearings, and specialty bearings.

Variable and adjustable speed drives: automatic transmission components for vehicles; adjustable pitch chains; and variable speed drives, including controlled motor, hydrodynamic and hydrostatic drives.

Belt drives: specialty belt drives and geared belts.

Chain drives: silent chain drives.

Gear drives: mass-produced subassemblies.

Speed changers: speed-changers of the concentric or offset type.

Clutches and brakes: for industrial applications.

Cam followers: cam followers incorporating needle roller bearings.

[illegible] Bureau of International Commerce

April 1969 IMIS 69-55

INTERNATIONAL MARKETING INFORMATION SERVICE

EXHIBITOR'S EXPORT MARKET GUIDE

Japan Electronics Show to feature U.S. production equipment display

Electronics ironics Show offers U.S. a equipment ser products

ics Industries ion in 1968 , kind in the most 300,000 e visitors. A ustries includ- : U.S. Exhibit- ected 10,396

May 1969, IMIS 69-7

INTERNATIONAL MARKETING INFORMATION SERVICE

COUNTRY MARKET DIGEST

Best U.S. Sales Prospects in Germany

The Federal Republic of Germany, with a land area slightly smaller than the State of Oregon, and a population of about 60 million, is one of the economic giants of the world. It ranks second in the world in volume of foreign trade. In Gross National Product (GNP) it stands fourth, behind only the United States, the Soviet Union, and Japan, which took over third place for the first time in 1968.

The German economy is comparable to that of the United States in sophistication and complexity. The United States was West Germany's leading supplier from the end of World War II to 1968. In the latter year, France became West Germany's number one supplier with the United States in second place. The United States became West Germany's second most important foreign market after France in 1968.

The volume of German-American trade in 1968 amounted to more than $5 billion, mostly in finished goods. Individual commodities by the tens of thousands are included in this trade but, in broad terms, our chief commercial exports to West Germany are: grain, edible fats and oils, raw tobacco, machinery, electro-technical equipment, chemical products and aircraft. West Germany's main exports to us are: automobiles, machinery, chemical products, rolling mill products, and electrical equipment.

West Germany's historical trading patterns have shifted as a result of its membership in the European Economic Community (EEC), popularly known as the Common Market. Its trade with the EEC countries has risen more rapidly than with any other sector of the world. Between 1958 and 1967, German exports to the EEC rose 233%, while imports from the EEC rose 264%. By contrast, during the same period German imports from the United States rose 114% and exports to the United States went up 213%. By 1967, the EEC share of the German import market had reached 39% (U.S. share 12%), up from 30% in 1960 (U.S. share 14%). Total German commercial imports in 1968 exceeded $20 billion, a record high.

It would be impossible to identify and discuss all of the export commodities that could be sold in West

Suitable Products

Electronic Production Equipment
Nuclear Instrumentation
Laser Equipment
Pollution Control Equipment
Medical Instrumentation
Gardening Equipment
Packaging Machinery
Air Conditioning Equipment
Traveling Equipment
Analytical Instrumentation
Graphic Arts Equipment

of the export commodities that could be sold in West

U.S. Department of Commerce/Bureau of International Commerce

BIC expands market research, launches new report service

International Trade Winds Newsletter

Company News

BANKING—Bank of America, San Francisco, has opened a full service subsidiary in Casablanca, Morocco. The new bank, offering complete domestic and international services, will emphasize financing exports and imports, encouraging foreign investment in Morocco, and development of local commerce and agricultural-based business. The new bank is the second Bank of America affiliate in Morocco.

PAPERMAKING—Black Clawson Co., New York, has sold two new vertical papermaking machines to Daishowa Paper Manufacturing Co., Ltd., Japan, for delivery this year. The high-speed multi-million dollar paper forming units will be designed, engineered and built in Watertown, N.Y., while the remaining sections will be built in Japan by Ishikawajima-Harima Heavy Industries Co., Ltd., Black Clawson licensee in that country. The new machines will operate up to 200 metric tons per day.

COMMUNICATIONS—Ampex Corp., Redwood City, Calif., has received a $1 million order for closed circuit color videotape recorders and tape from Orbit Communications, Geneva, Switzerland. This is the largest order for such equipment ever placed with Ampex. Orbit produces and distributes video taped educational programs for professional scientific subscribers, designed for graduate level study and for professionals. Ampex will provide 500 specially built recorders for use with color monitors in television systems to be installed in universities, research laboratories and professional scientific societies throughout the world.

INSURANCE—American Foreign Insurance Association, New York, has opened a branch in Strasbourg to service provinces in northeast France. Maintaining French branches in Paris and Lyon, member companies registered by AFIA to transact business in France are Hartford Fire Insurance Co. and St. Paul Fire and Marine Insurance Co.

PLASTICS—Borg-Warner Corp., Chicago, has announced plans to expand its Amsterdam, Holland, and Grangemouth, Scotland, plants to increase production capacity for thermoplastics to 140,000,000 pounds a year. The $6 million project will begin this spring.

Ten agents or distributors have been appointed by U.S. firms as a result of the U.S. Fluid Transfer and Power Equipment Exhibition at the Hanover, Germany, Industries Fair that closed May 4, and negotiations are under way with an additional 211 candidates. First figures at show's end indicate $2 million in sales during the exhibition and $4.3 million in projected sales over the next year by the 32 participating companies.

Industrialist Lawrence I. Littman and State business development officer John Acton are chairman and secretary, respectively, of the new Pennsylvania Export Corps. The organization is sponsoring a Trade Mission to Latin America that will depart soon. Other items in its comprehensive plans for export expansion by Pennsylvania industry and agriculture include a Trade Mission to Europe in 1970 and specialized international trade seminars in 1969 and late 1970.

A new computer software program made its bow in Britain at the London U.S. Trade Center, when a British affiliate of California Computer Products, Inc., took over the center for a one-day program of discussions, films and a slide presentation. The response from the audience of 71 systems managers and applications engineers led to this company comment: "We're very gratified with the results of our seminar. The fact that we obtained $50,000 in projected sales in addition to introducing our system has pleased us very much."

Another high-technology item from the U.S. made an impact in Britain at the London U.S. Trade Center recently. An opportunity opened up on short notice for the British rep of Unitek Corp., Monrovia, Cailf., to demonstrate a machine used in the production of semi-conductors. The two-day presentation drew 25 specialists from Britain's thick film industry. "They were the right ones," said the agent in reporting sales projection of $60,000.

On the other side of the world, at the Bangkok U.S. Trade Center, and on another technological level, a U.S. company made effective use of display facilities between-regular-shows. It was the Echlin Manufacturing Co., Branford, Conn., which was introducing its line of ignition parts and small engine or outboard motor replacement parts to the Thai market. Results: $25-$30,000 in projected sales over the next year, and discussions toward the completion of four distributorship agreements.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

As part of the Commerce Department's five-year, $200 million program to increase U.S. exports, the Bureau of International Commerce is stepping up its extensive market research overseas. To make full use of the results of this research, a new service that includes the publications shown on the cover is being instituted. Details of the International Marketing Information Service are in the article beginning on page 3.

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BUREAU OF INTERNATIONAL COMMERCE

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U.S. free trade aims underscored in Japan by Secretary

The United States drive to improve the climate for freer trade throughout the world was underscored again by Secretary of Commerce Maurice H. Stans in public statements on his current May 9-18 visit to the Far East.

Just as he had on his Apr. 11-26 trip to Western Europe, Secretary Stans emphasized the U.S. commitment to undergird the freedoms to travel, trade, invest and exchange technology across national boundaries.

In an address in Tokyo to the American Chamber of Commerce in Japan and the America-Japan Society, he spoke of the Administration's intent to solve the U.S. balance-of-payments problems not through capital restraints or import quotas but through a determined fight against inflation. Then he urged the Japanese to take an open course:

"We hope the doors of investment opportunity which we hold open to Japan, and to businessmen from around the world, will be reciprocated in a meaningful way to us.

"The United States has no restrictions on the withdrawal of capital or profits from foreign investments in our country. We seek the same freedom for Americans to do business in Japan. It is the right time for the right action.

"Japan ran a balance of payments surplus last year of more than $1 billion. The Japanese Gross National Product has risen to the second largest in the Free World.

"While our sales to Japan increased by about 10% last year, Japanese sales to the United States increased 35%! Yet with all of this great economic strength in Japan, the foreign investor faces unprecedented frustration.

"Two years ago a study by a committee of the Organization for Economic Cooperation and Development stated, 'No other advanced industrialized country confronts the foreign investor with the sort of obstacles presented by Japan.'

"That observation, regrettably, still seems to be valid today, according to many reports I get from American businessmen:

► In manufacturing, few American investors are able to establish wholly-owned manufacturing subsidiaries or to acquire a majority interest in joint ventures.

SECRETARY STANS

► In the past five years, less than a half dozen foreign investments in the manufacturing field have been validated by the Japanese government where the foreign equity was more than 50%.

► There is more American investment in many non-industrialized developing countries than there is in Japan, one of the world's leading industrial nations.

"We think, with absolute honesty and candor, that Japan would serve its own best interests by prompt liberalization of foreign investments, including the unrestricted right of majority foreign ownership. . . .

"In the trade area, we are disappointed that Japan has not made more meaningful progress toward eliminating its remaining import controls. We would like to see Japan make a determined effort now to eliminate these quantitative restrictions that are not in accord with its commitment under the General Agreement on Tariffs and Trade. Further delay will unnecessarily aggravate trade relations between us, because these restrictions are looked upon by many Americans as a symbol of unyielding Japanese attitudes on these matters.

"We are heartened by the recent increase in overseas travel allowances for Japanese citizens but look forward to the day when all limitations will be removed, so that more of the people of Japan can Discover America. And we would like to see the exchange of technology between American and Japanese industry freed from all controls except those imposed by market forces and patent laws.

"We realize these many restrictive policies had their role in the days after World War II to help Japan rebuild its economy. But now Japan has taken its place as a major industrial power. . . .

"Protectionists in the United States seize on such restrictions in other countries as justification for legislating against imports. . . .

"There are, of course, exceptional cases in which we must understand each other's special problems and be willing to take cooperative action to solve them.

"The United States has a current problem that requires this kind of attention. Our textile industry has been hit hard by dramatic increases in imports, and the pressures for legislative quotas are immense. We fear that unilateral quotas, once started, could snowball to countless other products, and our aims for freer trade would be seriously set back.

"There are two points of logic on this textile matter:

"1) The United States is the only remaining free market for textiles among the major nations of the world. All the others have imposed restrictions of one kind or another on imports. The United States just cannot absorb the entire potential output that all the producing nations can deliver. Isn't this understandable?

"2) If this problem is worked out promptly, no jobs need be lost in Japan or anywhere. We are willing to allow all producers to share in the growth of our market. All we seek to do is to stop a growing wave of imports that will deluge our markets and bring catastrophe to our industry and its workers. Isn't this reasonable?

"Therefore, we seek an international understanding on textiles. In view of the circumstances, we regard such an accommodation as necessary to preserve the overall thrust of our policy toward freer trade. An exceptional circumstance does not deny the major premise of open markets."

TRADERS' TOOL: IMIS

Market studies stepped up

Expanded Commerce research schedule to mean more information for U.S. business

The Bureau of International Commerce this week unveiled a substantially heavier international marketing research schedule as a key element in its five-year, $200 million program to increase U.S. exports to an annual $50 billion by 1973.

Research now going on under 27 recently-signed contracts in eight Western European countries brings the Bureau's on-the-scene market study projects to a level more than 35% higher than that in the year ending last June 30, according to Bureau Director Lawrence A. Fox.

Plans for research during the year beginning July 1 call for an increase of more than 250% above the level of a year ago, Fox said.

The long-range outlook capabilities of the Bureau's Export Strategy Planning Staff will have an increasingly greater impact on both market research and promotion, according to Fox. The staff was established in 1968 and was responsible for the Five-Year Outlook on U.S. Foreign Trade, published by the Department of Commerce last month.

The staff's selection of the industries that offer the greatest export potential is based on analysis of their growth patterns since 1963, their export performance since 1962, and such other factors as the impact of Kennedy Round tariff cuts, the relative international competitive standing of individual industries, technological developments and the broad patterns of the world's trade in manufactured goods.

This advance planning will strengthen all of the Bureau's other export promotion services, Fox said. "When the Strategy Staff uncovers a developing marketing opportunity, other parts of the Bureau will be prepared to back it up with their particular services, including Trade Lists and World Trade Directory Reports on the dealers of that commodity in the target market, special trade missions, plans for Sample Displays, or full-fledged commercial exhibits in a Trade Center, an international trade fair, or in a U.S. solo exhibition."

An International Marketing Information Service (IMIS) has been inaugurated as a group of related marketing-oriented publications through which the results of the Bureau's research and analysis of international sales opportunities are passed on to the U.S. business community.

The series includes two new types of reports and two that have been in publication several years under slightly different titles. The new reports are Country Market Digests, prepared by the Bureau's Office of International Regional Economics (OIRE) to report on the 10 to 15 most salable product categories in a single country; and World Markets for U.S. Exports, prepared by the Bureau's Office of International Trade Promotion (OITP) to report in detail in the market for specific products in individual countries.

The two older reports brought into the IMIS series are Exhibitor's Export Market Guides, prepared by OITP in connection with the Commercial Exhibits program of specific trade promotion events at U.S. Trade Centers or in international trade fairs and formerly published as Export Market Guides; and Country Market Surveys, the major OIRE studies of approximately 100 pages each that for the last several years have appeared under the title, "Market for U.S. Products in . . .," to report on the resources, industrial development, trade practices and channels, labor conditions, production and consumption, finances, foreign trade regulations, investment climate and imports in various nations.

The Country Market Digests are similar in subject coverage to the Country Market surveys but because they are substantially condensed, the Bureau will be able within its available resources to prepare them on more countries, covering more product lines.

Increased data flow

A combination of the higher level of research activity abroad and more effective utilization of the fruits of all of the Bureau's research contracts will generate an even greater flow of international marketing information to the U.S. business community, Fox said.

Past research efforts, undertaken in support of the Bureau's overseas exhibitions in U.S. Trade Centers and in international trade fairs, frequently have developed information about demands for products for which no exhibition was being considered. Such information in the future will be released to businessmen through the IMIS publications.

The new service also will benefit from information developed at the exhibitions themselves, when, as in the past, they help the Bureau refine its knowledge of the extent and probable future trends in the market for the products on display, or bring to light significant demands for products related to those on display.

The new market research and publishing progam will provide major support for the Bureau's overall objective of stimulating U.S. business into making sufficient increases in its allocation of resources to international trade to increase the ratio of U.S. export to the Gross National Product from its recent annual average of 4 percent to 4.3 percent by the end of 1973, Fox said.

"Assuming a GNP of around $1132 billion by the end of 1973, we should be exporting at the rate of $50 billion a year by that time," he said. U.S. exports in 1968 were $34 billion.

The higher level of marketing activity, coming in part from the Commercial Exhibits program and in part from the Export Market Identification efforts of the recently established Export Development programs to increase both the number of exporters and their total sales overseas, reflects a major portion of the Bureau's first-year groundwork in the five-year, $200 million expansion program.

Major new efforts in the second year, beginning July 1, are expected to center on the Export Development programs.

"New sales opportunities for U.S. companies today are opening up so rapidly in markets all around the world that they cannot be covered adequately with the commercial exhibits program," according to Morton J. Schwartz, Assistant Director of OITP for Export Development Programs.

"We have also found attractive sales opportunities for products for which the hibition technique is not suitable, such as chemicals, very heavy industrial machinery, or such equipment as electrical generating plants or locomotives for which no country would have more than a handful of buyers.

"Consequently, we have had to develop new ways of doing the job here and abroad. In the United States, we need to

stimulate more companies into exporting more through basic selling work among leaders of businesses of all sizes."

Two basic approaches to business are planned, Schwartz said. One approach which will concentrate on firms not now selling abroad, will call to their attention especially attractive opportunities for their own products in individual countries.

The second approach will be long-term and substantially broader in that it will attempt to involve the companies representing from 50 to 75% of the nation's productive capacity of a particular product line with the Bureau in a global market development project.

Longer range

Such a project would extend over a period of two to five years and be planned in cooperation with industry around a broad range of trade promotion techniques. Product lines involved would be those that today enjoy the highest world-wide sales potential and in most instances will be those of a high technological content, Schwartz said.

The Export Development programs will draw heavily on the Department's Field Offices, and the Business and Defense Services Administration's commodity specialists for help in identifying producers that should be involved in world trade.

The 27 marketing contracts placed in eight Western European countries earlier this spring were negotiated by Schwartz and cover 18 product lines: Laundry and dry cleaning equipment, materials testing equipment, agricultural equipment, heavy construction equipment, mining equipment, welding equipment, power driven hand tools, telemetry, microfilm and reprography, building materials, instrumentation, pumping equipment and parts, power machinery and switchgear, materials handling equipment, dairy equipment, electronic data processing equipment, production equipment for the electronics industry and food processing and packaging equipment.

The eight countries in which the contracts were placed were Belgium, France, Germany, Italy, the Netherlands, Sweden, Switzerland and the United Kingdom.

Other marketing research, on which either Exhibitor's Export Market Guides or World Markets for U.S. Exports will be published later, is now going on or soon will be contracted for, in Australia, Denmark, Finland, France, Germany, Iran, Israel, Italy, Mexico, the Netherlands, Norway, Spain, Sweden, Switzerland and the United Kingdom.

The research covers a total of more than 60 product lines: Food processing equipment; packaging equipment; vacuum and cryogenic systems; metal casting equipment; industrial assembly equipment; fluid power and fluidics equipment; metal surface treatment equipment and supplies; security and protection equipment; instruments and automation equipment; selected industrial modernization equipment; computers.

Also electrical characteristics measuring equipment; fasteners; microwave equipment; plastics equipment; geophysical equipment; magnetics; training aids; sophisticated materials for electrical industry; nuclear instrumentation; feed manufacturing equipment; reprographic equipment; gas and oil heating equipment; aircraft and ground support components.

Also, high frequency instrumentation; process biochemistry equipment; marine equipment; thermal instrumentation; electra-optical; catering equipment; control equipment for metallurgical industry; data communications; pulp and paper processing equipment; automated business procedures; instruments electronics, automation equipment; printing, graphic arts equipment; industrial air quality treatment equipment and instrumentation; photography for science and industry; meat, fish, poultry processing equipment.

Also, modern distribution equipment; chromotography and spectroscopy equipment; flow automation equipment; construction, mining equipment; industrial hand tools; shipbuilding equipment; industrial training aids; environmental testing equipment; pollution control; power components; sports equipment; oceanography; engineering components; air and water pollution; aerospace.

Also, farm, forest, food processing equipment; advanced medical equipment; analytical instrumentation and lab. apparatus; automotive diagnostic, test, and repair equipment; printing and bookbinding equipment; computer graphics; tool, mechanical equipment; heating, airconditioning techniques; educational materials.

Because the range of products covered will be far broader than the interests of individual U.S. companies, the IMIS series will not be offered on subscription. Copies of individual reports will be available through the Department's Sales and Distribution Branch or through any Commerce Field Office.

INTERNATIONAL MARKETING INFORMATION SERVICE

This identification symbol, which appears on each of the International Marketing Information Service reports, will also accompany announcements of new reports in the series, as they appear, in this magazine's Books & Reports section.

IMIS reports now available include:

Country Market Digests (best sales prospects in): Morocco, IMIS—69-1; Israel, IMIS—69-2; Liberia, IMIS—69-3; Iran, IMIS—69-4; Turkey, IMIS—69-5; Chile, IMIS—69-6; W. Germany, IMIS—69-7. 10 cents each.

World Markets for U.S. Products: Control Instruments in Mexico, IMIS—69-101; Scientific Instrumentation in Brazil, IMIS—69-102; Bakery, Related Packaging Equipment in W. Germany, IMIS—69-103; Gas Distribution in the U.K., IMIS—69-104; Mechanical Transmission in the U.K., IMIS—69-105; Air Conditioning, Refrigeration in Italy, IMIS—69-106; Petrochemical in Brazil, IMIS—69-107; Metal Casting Equipment in Japan, IMIS—69-108. 10 cents each.

Exhibitor's Export Market Guides *(for Trade Center Shows): Stockholm, Sweden*—Pollution Control Equipment, October 15-21, 1969, IMIS—69-56; Medical Equipment, Nov. 26-Dec. 2, 1969, IMIS—69-58; Machinery Parts, Components, Sept. 17-23, 1969, IMIS—69-57. 10 cents each.

Frankfurt, W. Germany—Electrical Components, Oct. 20-24, 1969, IMIS—69-51; Computer Communications, Sept. 22-26, 1969, IMIS—69-59. 10 cents each.

London, U.K.—Dynamics test equipment, Nov. 10-14, 1969, IMIS—69-52. 10 cents.

Paris, France—Laser Equipment, Nov. 17-21, 1969, IMIS—69-53. 10 cents.

(For U.S. Solo Exhibitions and International Trade Fairs)—Tel Aviv, Israel; Hotel, Restaurant Equipment, Oct. 5-10, 1969, IMIS—69-54; Rhine River (W. Germany) Solo; Controls, Computers, Oct. 13-25, 1969, IMIS—69-60; Osaka, Japan; Electronics, Oct. 1-7, 1969, IMIS—69-55; London, U.K.; Metallurgy '70, Dec. 8-12, 1969, IMIS—69-67. 10 cents each.

Country Market Surveys: AFRICA: Growth Market for U.S. Business. 96 pp. (1968) 75¢; CENTRAL AMERICA, Trade and Investment in. 96 pp. (1965) 60¢; CHILE: A Market for U.S. Products. 126 pp. (1966) $1; IRAN: A Market for U.S. Products. 50 pp. (1966) 50¢; IVORY COAST: A Market for U.S. Products. 87 pp. (1966) 65¢; MEXICO: A Market for U.S. Products (1966). 65 pp. 50¢; PHILIPPINES: A Market for U.S. Products (1965). 76 pp. 55¢; TAIWAN: A Market for U.S. Products (1967). 128 pp. 75¢.

JANUARY-MARCH '69

U.S. trade drops sharply

Dock strike affects exports more than imports; unusual trade deficit noted

The longshoremen's strike at Atlantic and Gulf ports caused a substantial decline in U.S. foreign trade in the first quarter of 1969. Exports, excluding military grant-aid, fell to a seasonally adjusted total of $7,586 million and imports to $7,654 million.

Although trade in both directions contracted sharply from the preceding quarter, the relatively smaller decline in imports moved the balance in our merchandise trade into a $68 million deficit position, seasonally adjusted. This was the first quarterly deficit since July-September 1950 when the Korean War sent imports soaring.

The distortions caused by the dock strike prevent any valid appraisal of U.S. trade developments in the first three months; judgments as to the underlying trends will have to await developments in the second quarter. The apparently greater strike impact on exports than on imports indicates that a larger volume of export loadings will be shifted into the second quarter.

The work stoppage by dockworkers began on Dec. 20, following the expiration of the Taft-Hartley injunction. A nearly complete shutdown of vessel trade along the Atlantic and Gulf Coasts—the longest such strike in the post war period—ended with the reopening of the port of New York on Feb. 15. Shortly after the settlement there, most major shipping points resumed operations. The port of Boston, however, and those on the West Gulf remained closed during the entire month of March.

The disruption of shipping operations caused waterborne exports from the Atlantic and Gulf Coast ports to plummet in January-March, with over half of the decline in the export-oriented Gulf area. The Port of New York and, to a lesser extent, Norfolk, Philadelphia, and Charleston accounted for most of the drop in outgoing cargoes along the Atlantic seaboard. The bulk of the decline in imports reflected substantially smaller arrivals at New York, Boston, and Baltimore where incoming cargoes are of more importance than exports.

Despite the severe impact of the dock strike on U.S. exports by vessel, shipments of manufactured and other nonagricultural goods rose to $6.6 billion in the first quarter, 4% above their value in the same period a year ago. This advance was made possible by a large increase in air shipments, but also reflected greater deliveries of automotive parts and accessories to U.S. subsidiary plants in Canada. Exports of aircraft continued expansive, with deliveries of both commercial and military aircraft advancing to higher levels. Computers and parts, radio and TV apparatus, electronic components, instruments, and drugs were all exported in larger amounts, many of them by air.

Sales of coal, shipped mainly from Norfolk and loaded by automatic conveyors, moved 10% higher. Steel exports accelerated by one-fourth in value over January-March 1968 when domestic demand was especially strong because of an anticipated strike in the industry. Most of the expansion stemmed from larger shipments to Canada and Argentina. Copper exports climbed to $62 million from $18 million a year ago when shipments were severely limited by a strike at U.S. refineries.

The effects of the dock strike were especially adverse on exports of agricultural commodities which dropped to $947 million in the first quarter, 43% below their value a year ago. Nearly all of our farm products are shipped by vessel, and most are loaded at ports on the Atlantic and Gulf Coasts. Shipments of grains fell by nearly three-fifths, primarily in cargoes moving through ports in the Houston, New Orleans, and Baltimore areas. Loadings of cotton and soybeans were sharply reduced by port closures along the Gulf.

New export orders for machinery received by U.S. manufacturers rose in January-March for the sixth consecutive quarter. Mainly because of the dock strike, however, shipments showed little change from their high level in the December quarter. As a result, the ratio of unfilled orders to export shipments, a rough measure of order backlog, moved higher at the end of March to reverse

Dock strike curtails vessel trade at key ports

Customs district	Strike settlement date, 1969 [1]	Change in January-March 1969 from January-March 1968	
		Exports [2]	Imports
		Millions of dollars	
New York	Feb. 15	−542	−669
Baltimore	Feb. 22	− 26	−112
Norfolk	"	− 77	− 58
Miami	"	+ 20	− 9
New Orleans	"	−210	− 90
Wilmington, N.C.	Feb. 24	− 12	− 16
Charleston	"	− 35	− 27
Savannah	"	− 25	− 15
Tampa	"	− 19	− 32
Philadelphia	Feb. 25	− 65	− 98
Mobile	"	− 44	− 19
Boston	Apr. 2	− 22	−128
Galveston	"	−177	− 5
Houston	"	−333	−167
Port Arthur	Apr. 13	− 91	− 7

[1] All Atlantic and Gulf Coast ports were closed on Dec. 20, 1968. The settlement dates given above are for the major ports in the customs districts.
[2] Exports exclude "special category" shipments.

Major commodity changes in U.S. foreign trade, Jan.-Mar. 1969

Millions of dollars

Exports			Imports		
Commodity	Value	Change from Jan.-Mar. 1968	Commodity	Value	Change from Jan.-Mar. 1968
Nonagricultural, total	**6,621**	**+255**	**Nonagricultural,** total	**6,443**	**− 96**
Motor vehicles and parts*	844	+113	Copper	101	−248
Aircraft and parts	666	+118	Iron and steel-mill products	244	−139
Computers and parts	155	+ 42	Textile machinery	27	− 24
Copper	62	+ 44	Agricultural machinery	47	− 19
Semiconductor devices and parts	69	+ 23	Metalworking machinery	36	− 13
Scientific instruments	180	+ 18	Motor vehicles and parts*	1,021	+137
Iron and steel-mill products	147	+ 28	Lumber	168	+ 60
Chemicals	649	− 83	Radio and TV sets	119	+ 51
Paper	104	− 12	Clothing	206	+ 49
Metalworking machinery	71	− 12	Petroleum and products	652	+ 42
Airconditioning equipment	72	− 11	Gem diamonds	126	+ 22
			Sound recorders	68	+ 21
Agricultural, total	**947**	**−709**			
Wheat	113	−201	**Agricultural,** total	**977**	**−248**
Cotton	29	−134	Coffee	154	−135
Corn	90	−113	Tobacco	29	− 52
Soybeans	134	− 49	Sugar	92	− 17
			Wool	23	− 20

* Excluding engines.

the general downtrend that began in late 1967.

At $6.4 billion in the first quarter, arrivals of nonagricultural products were slightly below comparable 1968 levels. The decline in these imports would have been greater had it not been for arrivals by air and the diversion to the West Coast of cargo from the Far East, much of which normally moves to Eastern ports. Purchases of foreign steel fell by 36% as a result of the dock strike, the absence of hedge-buying this year, and voluntary restrictions on exports by producers in Japan and Western Europe. Receipts of copper and aluminum were substantially below their totals a year ago when actual and potential strikes in these industries swelled imports. Weaker demand for manufactured fertilizers was primarily responsible for a moderate decline in chemical entries. Arrivals of autos from Western Europe fell sharply, largely because of the dock strike.

On the other hand, a sharp increase in receipts of autos, trucks, and related parts boosted automotive imports from Canada by more than a third. Purchases of lumber from that country moved up, partly because prices were much higher but also as a result of strong demand. Entries of crude petroleum, transferred from tankers by mechanical facilities, registered a sizable increase. Buoyant markets for TV sets and transistor radios from Japan and several developing countries in the Far East boosted these imports. Receipts of clothing from that area also advanced to a higher level.

Entries of agricultural commodities dropped to $977 million, one-fifth below their value in the same period of 1968. Over half of the decline reflected smaller receipts of coffee, stocks of which had been built to exceptional levels by hedge-buying in anticipation of the dock strike. Purchases of tobacco, wool, sugar, and cocoa also fell to lower levels. Conversely, arrivals of fresh beef from Oceania and Latin America increased over the first quarter of 1968, as did receipts of tomatoes from Mexico.

Trade rises with Canada

Although U.S. exports to most major world areas declined in the first quarter because of the dock strike, shipments to Canada rose strongly over January-March 1968 levels. Trade with that country moves mainly by truck and rail, and was, therefore, little affected by the shipping tie-up. Larger deliveries of automotive products accounted for about half the rise.

Sales to Western Europe fell from comparable 1968 levels, but the drop was less steep than that for total exports. Stepped-up shipments of aircraft, computers, and military goods, all of which could move during the strike, moderated the decline. The entire 6% drop in exports to Japan reflected lower deliveries of agricultural products held up at Gulf ports. Sharply reduced shipments of farm commodities were also the primary factor in reducing loadings for East and South Asia.

Imports from Canada climbed by 15%, mainly as a result of increased arrivals of automotive products but also because of greater U.S. purchases of crude petroleum, wood pulp, and paper. Arrivals from Japan rose by a tenth, with purchases of radio and TV sets, tape recorders, and automobiles particularly buoyant. A strong increase in purchases of clothing and electronic components accounted for much of a one-fifth climb in arrivals from East and South Asia.

Imports from Western Europe were off by one-fourth; normally, over half of our purchases from that area enter the States by vessel through Atlantic and Gulf ports. Arrivals from the American Republics and Africa, primarily bulk shipments of raw materials and foodstuffs, were also below 1968 levels.

This article was prepared by the International Trade Analysis Division of the Commerce Department's Bureau of International Commerce.

PLANT TOUR FOR VISITING INTERNATIONAL SALESMEN was highlight of three-day training seminar sponsored by Monroe Auto Equipment Co. at its plant in Hartwell, Ga. Above left, Francisco Gitierrez (l.) and Humberto Velez (r.) of Mexico are shown components of Monroe shock absorber by Art Cuervo (ctr.) of international sales division. Right photo: George Roper (2nd l.), industrial relations manager, explains test press operation to Mike Hamilton (l.) of New York, Bill Sampson (ctr.) of New York, Joaquin Soler (2nd r.), Peru, and Harry Watkin (r.), Peru. (*Hartwell Sun* photo by Pacer Studios.)

Auto parts firm holds sales seminar for distributors

Overseas salesmen also tour Monroe Auto Equipment Co. plant

An information explosion, expressed by attention-getting firecrackers, was staged for foreign distributors of Monroe Auto Equipment Co. shock absorbers at a recent sales clinic in Georgia. The Michigan company sponsored its eighth annual program of this type, this year drawing 35 distributors from 16 countries, all owners of their own businesses.

Monroe, which received an "E" award in 1968, planned programs on merchandising, dealer training, export sales, and other topics. One how-to-do-it demonstration advised the distributors on planning effective dealer meetings.

Following the two days of seminars in Atlanta, the distributors toured the company's shock absorber plant at Hartwell, Ga., which employs more than 800 people and exports most of its production. The distributors were divided into small groups and assigned guides for the plant tours. Sixteen different areas were visited. In addition to the various production and assembly areas, these included testing, packing and export packing.

During the previous week the men had attended the International Auto Service Industries Show in Chicago.

Monroe, and several other manufacturers of non-competing automotive parts, employ Platka Export Co. of Ft. Wayne, Ind., as export managers, and Platka personnel took part in the program.

Fort Worth mission looking for markets in Western Europe

The first Fort Worth trade mission to go to Europe is looking this month for trade opportunities in Paris, Milan, Vienna, and Frankfurt.

Seeking information for the Fort Worth industrial community, this is the fourth industry-organized Government-approved mission developed by the World Trade Department of the Texas city's Chamber of Commerce. The others have appraised markets in Latin America.

The nine mission members were briefed in Washington by Commerce and Eximbank officials before their departure on May 5. They plan to wind up their European schedule May 21.

Allen K. Holt, International Department, Fort Worth National Bank, is the Mission Director. Other participants—from Fort Worth unless otherwise specified—and their companies' products or services are:

John A. Andrews, Andrews Tower, Inc., commercial radio towers and concrete block machines; Philip G. Fronabarger, Mosites Rubber Co., Inc., aircraft parts, aircraft gasoline tank sealants; Roger C. Hunsaker, Fort Worth Pressed Steel Corp., metal fabricators and drive kits for auto airconditioners; Arthur Jantz and Tom C. Cranford, Mosley Machinery Co., Inc., Waco, cutting baling, and shredding machines for metal scrap; Rufus E. Palm, Harvey/Palm Co., industrial plant sites; John R. Parks, Jr., NHA, Inc., Arlington, engineering consultants; and Raymond T. Young, Slurry Seal, Inc., Waco, paving materials for gravel, asphalt, and concrete.

Urfer named to head U.S. investment unit

Secretary of Commerce Maurice H. Stans has appointed Richard P. Urfer, New York City business executive, as Director of the Office of Foreign Direct Investments.

Urfer, 32, resigned as president of Diebold Computer Leasing, Inc., to become head of the agency which regulates the outflow of dollars used abroad for business investment. He was a co-founder of Diebold Computer and had been its chief executive officer since 1967. The company leases computers and related data processing equipment in the United States and abroad. He had previously been associated with Morgan Stanley & Co., investment bankers of New York, and had served as an Army infantry officer.

He holds a B.S. degree in economics from the University of Wisconsin, and an M.B.A. degree from the Harvard Graduate School of Business Administration.

'Myopia' by traders on service exports seen as U.S. shortfall

New York Sales Executive Club meeting told that concentration on product sales overseas can mean missed opportunities

Exports of skills and know-how are an important part of U.S. trade and they beget more exports of merchandise—but are often the subject of "opportunity myopia."

Walter H. Johnson, Jr., made this point at a recent international marketing conference of the Sales Executive Club of New York, as he pointed out that American trade efforts "concentrate so much on physical products in foreign trade that they overlook opportunities among non-products."

With particular reference to the developing countries, he declared that "We cannot seize any more of their scarce resources for (sales of) goods, but have opportunities for business in services."

Johnson, chairman of Infoplan International and a member of the National Export Expansion Council, emphasized the greater international business role played by such activities as transportation, tourism, shipping, engineering, and banking. This is leading to a new export concept, he said, with American firms in an ideal position of "selling brains, skill and experience" that other countries are seeking. Methods of this "selling" include licensing and joint ventures, with U.S. know-how joining with local capital.

How service-supplying companies "go international" varies. One type of approach was described by another speaker, Bruce Searle of Towers, Perrin, Forster & Crosby, Philadelphia.

His management consultant firm, which specializes in such activities as incentive plans, first sent its people abroad to learn first-hand how better to serve its U.S. clients that were operating internationally. But gradually it built its own European organization of internationally-mixed operational staffs, and now the firm is selling its know-how to local companies in Europe just as it serves its American clients.

Selling services overseas is an especially effective area of international business for small companies, speakers agreed. One such firm was selected, in the words of its president, to be the "mouse" among the large industrial "tigers" in evidence on the conference program.

This firm was Child & Waters, and its head, Somerset Waters, used the firm's tourist development and planning specialty as an example of the inordinately broad influence a small service-type company can have in generating other service and product exports.

When his company is selected to plan tourism development of a particular area, he noted, the usual pattern that evolves means brand new business opportunities ranging from hotel construction and management, to local utility works and operations, to advertising services.

The lesson, according to Waters: "Even the workings of 'a mouse' can aid our balance of payments efforts . . . provided that many 'mice' gnaw through the balance of payments difficulties."

The nation's international payments position and its need for improvement, together with U.S. companies' individual profits potential from expanded export, provided the backdrop for the Sales Executives Club's conference. A call for actions which will help both was sounded by Carl A. Gerstacker, chairman of the board, Dow Chemical Co. and chairman of the National Export Expansion Council.

Referring to the $50 billion per year U.S. export target set by the Cabinet Committee on Export Expansion, Gerstacker said that it "is an entirely achievable goal, I think; and not only is it achievable, but I think we must achieve some level close to this in the coming years unless we wish to impose drastic curbs on imports. I do not think we want to do that."

A new feeling of necessity and urgency for the future of U.S. exports is the major thrust of the NEEC's message, Gerstacker said, adding:

"We urgently need to provide profit incentives for our American exporters—both small and large—like foreign exporters have. If Americans can make more profits exporting, we will not have to wave the flag or urge our people to export; we will just have to run to keep up with them."

Adopting a global outlook on marketing was part of the message of the keynote speaker, Peter G. Schmitt, vice president of Westinghouse Electric International Co. Whereas the old concept was to think of the world as "distance," he said, the evolution of business now causes us to think of the world as "time."

Schmitt said to the many U.S. firms who are not cashing in on overseas markets: "Getting into overseas markets is not especially difficult if you have learned to operate successfully in the U.S." where, he had noted, all American manufactures are already in international competition as soon as they leave the factory and face foreign-made goods, just as many American manufacturers are competing in foreign "backyards."

The message for all, Schmitt declared, is clear: "Our greater individual participation in the world market is absolutely essential for our own growth and for the stability of the U.S. economy in the face of an aggressive foreign export and investment thrust, not only into third country markets but into the U.S. market itself."

L. Edward Scriven, of the Port of New York Authority, conference chairman, immediately endorsed Schmitt's point about more aggressive individual efforts. "Credit must be given to the Japanese," Scriven said, calling them "a most enthusiastic, hardworking sales group. They stand out among national groups in international trade. Their effort is a reason for their success, beside low-cost labor, and it surpasses efforts by Americans at times."

Commerce services

"All You Have To Do Is Ask For Help" was the theme of a panel session moderated by A. C. Rutzen, Director of the New York Field Office of the U.S. Department of Commerce, who tied the five-year export goal to programs being evolved to help business firms meet it. Paul R. Porter of the Department's Bureau of International Commerce, George W. Cooper of the New York State Department of Commerce, and Clifford B. O'Hara of the Port of New York Authority were the panelists who outlined services of their organizations overseas and at home to help U.S. companies, with the message that this assistance is direct and easily accessible.

"An ideal tool" which companies develop for themselves in building markets abroad is sales analysis, according to a member of another panel, Thomas Farrell, marketing research supervisor for the Schering Corporation—International. He described his pharmaceutical company's success in adapting products to particular market requirements, adding, "No single company has a monopoly on innovation; there is plenty of room for small companies" using good market research.

WORLD MARKETS SINCE 1962: III

U.S. share of markets in developing lands slips

Manufactured exports gain in Western Hemisphere, but lag in Asia and Near East

The United States lost ground in the market for manufactures in the developing countries as a group, despite sizable increases in exports between 1962 and 1967.

The reduction in the U.S. share of this market from 31% in the earlier year to 29½% in 1967 was due to slippages vis-a-vis our major competitors in the buoyant Near East and South and East Asian regions which outweighed gains in the 19 Latin American Republics and elsewhere in the Western Hemisphere.

In the five-year period exports of manufactured products from the United States and the 13 other major industrial countries to the developing areas of the world rose by more than a third to a total of $21.7 billion. The rate of expansion was only about half that recorded in shipments to developed nations. As a consequence, the developing areas' portion of the world market for manufactures outside the United States shrank from 28½% in 1962 to 24% in 1967.

Above-average growth was achieved by three markets—the Near East, South and East Asia, and "other" Western Hemisphere comprising principally the Guianas and most of the islands in the Caribbean. South and East Asia replaced the 19 Latin American Republics as the principal destination for world exports of manufactures. Between 1962 and 1967, shipments to the former area grew by 47% to $7.4 billion; those to the latter, by only 21%, to $6.4 billion. Despite comparatively slow growth, Africa took $4.1 billion, or almost one-fifth, of all manufactures shipped to developing countries in 1967.

U.S. exports lack vigor

U.S. shipments of manufactures to developing countries rose from nearly $5 billion in 1962 to about $6½ billion in 1967, an average annual gain of 5%. They kept pace with the growth in exports from other industrial countries until 1965. In that year, U.S. exports to these markets barely expanded and our share dropped sharply. In the following two years, this country's exports again picked up and moved roughly parallel with those of our competitors.

Latin America remained the principal destination for U.S. exports, among the developing areas accounting for half of the 1967 total. About a fourth of our shipments moved to South and East Asia, and the remainder was more or less evenly divided among the other three areas.

Third in series

The accompanying article presents the third in a new series of reports on changes in the U.S. competitive position in world markets for manufactured goods, 1962-67, appearing currently in *International Commerce*.

The first report, in the May 5 issue, presented an overall view. Last week's report summarized the U.S. position in the developed areas.

This week's article, on pages 9–12, pinpoints the situation in developing countries. Others to follow will be devoted to major categories of manufactured goods.

The reports are being prepared by the Commerce Department's Bureau of International Commerce from special computer runs designed by the Bureau's International Trade Analysis Division and ordered from the United Nations International Trade Statistics Centre. The data is assembled in more than 1,100 Market Share Reports, available from Sales and Distribution, Room 2119, U.S. Department of Commerce, Washington, D.C. 20230. Country reports are 75 cents each; commodity reports, 10 cents. A catalog, listing the reports, also is available from Sales and Distribution.

By supplying one-half of the $6.4 billion market for manufactures in the 19 Latin American Republics, U.S. exporters marginally improved their relative standing in that region from 1962 to 1967. Among the more important products contributing to the expansion were organic chemicals, pumps, and aircraft. Higher sales of piston engines, materials handling equipment, plastic materials, and heating and cooling equipment also helped enhance the U.S. position. Deliveries of steam boilers and railway vehicles from the United States dropped sharply, although our share of the Latin American import market declined only in the former.

Exports to all of the republics except Argentina, Colombia, and Uruguay grew from 1962 to 1967, with the rates of growth ranging up to more than 50%. Contributing to the relatively limited expansion in exports to these republics was a large absolute decline in sales to Argentina. The drop in shipments of machinery and transport equipment after the introduction of an austerity program following the 1963 political upheaval was particularly severe.

Mexico, this country's second largest market in the Western Hemisphere after Canada and our biggest customer in the developing areas, took sharply increasing amounts of U.S. manufactures, especially nonelectric machinery. A deterioration of three and one-half percentage points nevertheless occurred in the U.S. share of the Mexican import market in the period under review.

Slippages of roughly the same amount were also evident in Venezuela, Argentina, and Peru. In Brazil, our share moved erratically, but at the beginning and end of the period amounted to about two-fifths of that large market. On the other hand, an uptrend was apparent in Chile and Colombia.

Expanding three times faster than sales of competing countries, U.S. exports of manufactures to the Guianas and the is-

World and U.S. manufactured exports to developing markets

Destination	World exports			U.S. exports			U.S. share		
	1962	1967	Increase from '62 to '67	1962	1967	Increase from '62 to '67	1962	1967	Share index
	$ million	$ million	Percent	$ million	$ million	Percent	Percent		1962=100
Developing areas, total	**15,954**	**21,676**	**36**	**4,952**	**6,401**	**29**	**31.0**	**29.5**	**95**
19 American Republics	5,274	6,396	21	2,589	3,198	24	49.1	50.0	102
Other Western Hemisphere	695	1,026	48	224	423	89	32.2	41.2	128
South and East Asia	4,990	7,353	47	1,378	1,748	27	27.6	23.8	86
Near East	1,765	2,812	59	402	578	44	22.8	20.6	90
Africa	3,230	4,089	27	360	453	26	11.1	11.1	100

Note: World exports are defined as those of Austria, Belgium-Luxembourg, Canada, Denmark, France, Federal Republic of Germany, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, United Kingdom, and United States.

"Manufactured" exports cover chemicals, machinery, transport equipment, and other manufactures (principally metals, textiles, and various nondurable consumer goods) and exclude processed food, fats and oils, mineral fuel products, firearms of war, and ammunition.

lands in the Caribbean jumped by $200 million to $423 million in 1967. With the exception of clothing, cotton fabrics, and aircraft, for which our exports dropped, all major U.S. products sold well. Sales gains were particularly large in road motor vehicles, metal manufactures, and organic chemicals.

With the advent of increasing numbers of U.S. tourists, the nearness of the United States, and loosening of their colonial ties, the islands in the Caribbean have turned more to this country as a source of their overseas purchases. This is particularly true of Jamaica where our share of the import market for manufactures rose by 13 percentage points between 1962 and 1967 and of Trinidad and Tobago where it rose by 11 points.

U.S. share drops in Asia

Between 1962 and 1967 U.S. exporters increased their shipments of manufactures to South and East Asia by $370 million, but other suppliers registered gains of $2 billion. Of that figure, $1.4 billion came from Japan. Thus, the U.S. share fell about a seventh, to 23.8%, in 1967 despite the substantial increases in government-financed shipments, especially to India and South Viet-Nam. This region nevertheless remained the second most important U.S. market among the developing areas.

Mainly responsible for the share loss were lower exports of aircraft, textiles, steel products, nonferrous metals, and construction and mining machinery. Despite higher sales, the U.S. position also slipped in road motor vehicles and telecommunications equipment. Substantial export share gains in chemical fertilizers, engines, and metalworking machinery failed to offset losses in most other commodities.

The standing of U.S. manufactures in the countries in this area varied widely. Hong Kong was the only large market where our share appeared to improve. Some of the advance in U.S. exports to that country consisted of components for

U.S. retains prime supplier position in Latin America

Exports of major manufactures to Latin America

Commodity	From United States			From leading competitor		
	1962 $ million	1967 $ million	1967 % share	Country	1967 $ million	1967 % share
Total	**2,812**	**3,621**	**48.8**	**Germany, Fed. Rep.**	**965**	**13.0**
Organic chemicals	88	181	54.1	Germany, Fed. Rep.	57	17.0
Construction and mining machinery	101	131	81.4	United Kingdom	8	5.0
Pumps and centrifuges	65	115	69.2	Germany, Fed. Rep.	12	7.2
Electric power machinery	81	112	54.1	Germany, Fed. Rep.	20	9.7
Road motor vehicles	427	470	55.4	Germany, Fed. Rep.	108	12.7
Aircraft	65	120	64.2	United Kingdom	39	20.7
Textile yarns and fabrics	104	100	40.4	Japan	62	25.0
Iron and steel products	94	104	24.3	Japan	77	17.9
Metal manufactures	124	151	46.3	Germany, Fed. Rep.	43	13.2
Other manufactures	1,663	2,137	....	....	....	....

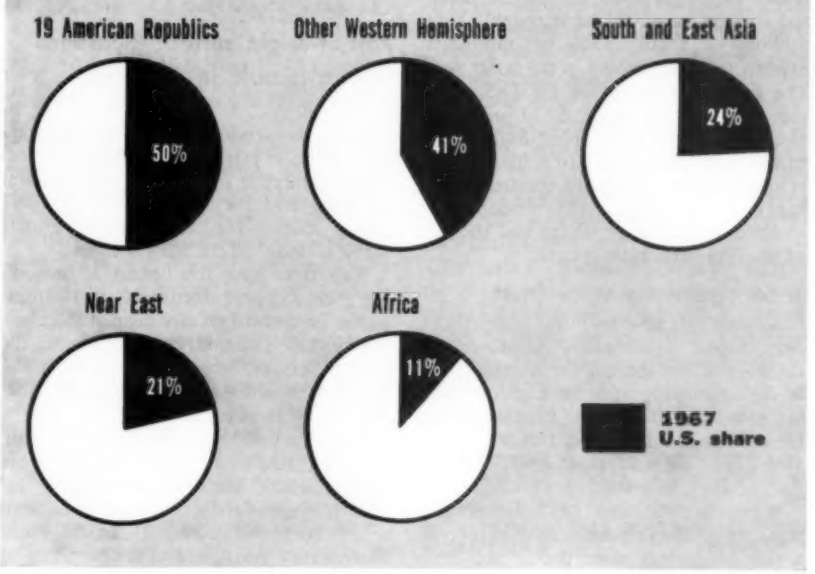
assembly and reexport, in part back to the United States. Our products lost to those of other suppliers particularly in Pakistan, Taiwan, Korea, and the Philippines.

Share of African market steady

U.S. exporters held their own in the geographically vast but slow-growing developing African import market, with an 11% share in three of the five years. Sales from this country of pumps, materials handling equipment, electric power machinery, railway vehicles, and steel products expanded considerably faster than those from our competitors. Substantial declines, however, in deliveries of U.S. pesticides, construction and mining machinery, road motor vehicles, aircraft, and textile yarns and fabrics led to a weakening in the U.S. market position in sales of these goods.

Capitalizing on past colonial and present political ties, France and the United Kingdom, in that order, remained principal suppliers to this developing region. The U.S. share of the major individual markets remained small. The single outstanding exception was Liberia which has historic bonds with this country. U.S. exporters supplied nearly one-half of the shipments of manufactures to that market.

Latin America best U.S. customer among the developing markets



Share weak in Near East

Growing at a rate of 7½% a year, the Near East was the second most buoyant outlet for U.S. manufactures. While this country's sales to the area rose by 44% to over half a billion dollars, our share was one-tenth less than it had been in 1962. The decline was attributable to relative losses in several product lines, particularly rubber tires, road motor vehicles, steel products, and heating and cooling equipment.

French and British suppliers provided strong competition in the volatile aircraft market during the period, although the United States accounted for almost one-half of the sales to this area in 1967. U.S. exporters outsold their competitors in piston engines, metalworking machinery, pumps, telecommunications equipment, and electric power machinery. Sales of all commodities in the latter group more than doubled between '62 and '67.

Most of the major nations in the region expanded purchases from other sources more rapidly than from this country. In the face of an absolute decline in ship-

Japan strongest U.S. competitor in South and East Asia

Exports of major manufactures to South and East Asia

Commodity	From United States			From leading competitor		
	1962 $ million	1967 $ million	1967 % share	Country	1967 $ million	1967 % share
Total	**1,378**	**1,748**	**23.8**	**Japan**	**2,756**	**37.5**
Chemical fertilizers	45	141	61.1	Japan	36	15.6
Telecommunications equipment	50	52	33.8	Japan	37	23.9
Road motor vehicles	104	127	20.6	Japan	243	39.5
Aircraft	80	74	49.9	United Kingdom	31	20.9
Construction and mining machinery	69	46	46.3	Japan	22	22.2
Electric power machinery	38	62	26.0	Japan	67	27.9
Textile yarns and fabrics	76	48	7.8	Japan	461	75.2
Iron and steel products	133	109	17.9	Japan	331	54.5
Nonferrous metals	69	54	27.4	Japan	45	22.6
Other manufactures	714	1,035	....	....	....	....

ments of manufactures to Israel after 1962, U.S. exporters sustained particularly heavy share losses in that market. The most expansive market in the Near East for U.S. manufactures was Iran.

The inability of U.S. suppliers of manufactures to maintain their standing in world exports to developing markets between 1962 and 1967 resulted in potential sales losses estimated at roughly $160 million, or about 2½% of our actual exports to these nations in the latter year. The dollar equivalent of the U.S. share loss amounted to nearly $220 million in South and East Asia, about $45 million in the Near East, and $20 million in developing Africa. Partially counterbalancing gains of about $125 million were realized in the 19 republics and the rest of the Western Hemisphere.

Japan gains on wide front

Among this country's top competitors, only Japan substantially improved its standing in the market for manufactures in the developing areas as a group, gaining ground mainly at the expense of the United Kingdom, France, and the United States. The German share held level and that of Italy improved moderately.

Between 1962 and 1967 Japan's exports to developing areas rose by 100%, a rate of growth more than three times that of the United States. As a result, Japan's share of world exports to those markets expanded to 18%, but still trailed that of the United States by more than ten percentage points. The improvement extended to every region, with the bulk of the gain occurring in the South and East Asian market where Japan replaced the United States as principal supplier. Japan also strengthened its position considerably in the Near East and in Latin America, but its participation in those markets remained well below that of the other major suppliers.

The United Kingdom's trade position in these areas deteriorated sharply, falling by four points to 13% in 1967. As a consequence, Britain was replaced by Japan as the second most important supplier of manufactures to the developing countries. While sustaining heavy losses in South and East Asia, as did the U.S., the U.K. also experienced share declines in each of the other regional markets.

Measured in value, Germany's best market among the developing countries was Latin America where it was the second leading supplier. Its biggest share was in the Near East, however, where its manufactures commanded more than 18% of total sales in 1967. Approximately one-third of German exports to the developing areas consisted of machinery.

Customs services expand to speed export shipments

Port-of-origin surface clearance now available in 14 cities

Customs services for U.S. exporters have been expanded to provide port-of-origin clearance for surface shipments at 14 cities and for air shipments at three other cities. The expanded clearance services took effect May 14.

Exporters have the option of presenting their shipping documents to Customs at the port-of-origin city nearest the place where their shipment originates or at the port of export, where their merchandise is laden aboard the vessel or aircraft that will carry it abroad.

The port-of-origin clearance system, now available in 32 cities throughout the United States, has two advantages:

- If shipping documents should need to be corrected, changes can be made more easily and quickly at the place of origin.
- Spot-check examination of merchandise by Customs inspectors also can be made more expeditiously at a local port of origin than at a port of export.

Exporters now will be able to obtain Customs port-of-origin service for both surface and air shipments at 12 cities where service previously was provided only for goods shipped by air. They are Baltimore, Buffalo, Chicago, Cleveland, Detroit, Houston, Los Angeles, New Orleans, New York, Philadelphia, St. Louis, and San Francisco.

In addition, Charleston, S.C., and Jacksonville, Fla., have been newly designated as ports of origin where clearance may be obtained for surface export shipments.

Three other cities—Denver, Memphis, and Pittsburgh—have been accorded port-of-origin status for clearance of air export shipments.

Clearance service for air shipments will continue to be provided by Customs in 15 cities previously designated as ports of origin. They are Atlanta, Boston, Dallas, Honolulu, Kansas City, Miami, Minneapolis, Newark, Oklahoma City, Port Everglades (Fla.), Portland (Ore.), San Diego, San Juan, Seattle, and Tucson.

Provisions of the revised port-of-origin clearance regulations have been published in the *Current Export Bulletin*, No. 985, dated May 14, 1969. Copies are available at 25 cents each from Sales and Distribution Branch, Room 2119, U.S. Department of Commerce, Washington, D.C. 20230, or from any of the 42 Commerce Field Offices.

Minneapolis Chamber sends second mission to Eastern Europe

As follow-up of earlier marketing tour, will seek sales outlets

In an effort to develop contacts already made and to further promote the sale of Minnesota products in Eastern Europe, the second Minneapolis Chamber of Commerce trade mission was scheduled to depart after a May 16 briefing in Washington—for two weeks in Moscow, Belgrade, and Budapest.

The mission is in part a follow-up of the 1967 Minneapolis Mission that visited Moscow, Warsaw, Bucharest, and Belgrade. Some of the members of the new group participated in the first. The businessmen will be seeking direct sales outlets for their products and services, among which are electronic data processing equipment, animal feeds and resins, oil seed crushers, pumping equipment and accessories, geological and mining engineering services, and contract drilling.

Orin T. Hanson, Manager of the Minneapolis Chamber's Agriculture and World Trade Department, will serve as Mission Director—as he did in 1967. Lawrence F. Haeg, president of the Chamber and executive vice president of WCCO Radio and Television, is chairman of the mission.

Other members are: Robert G. Bartizal, Control Data Corp.; Geoffrey R. Cross, Univac International Division of Sperry Rand Corp., London; Robert Diercks, Cargill, Inc.; John S. Donnelly, Gray Co.; James Johnson, Northwest International Bank; Eugene Larson, E. J. Longyear Co.; Gordon A. Mikkelson, WCCO Radio; Gerald L. Moore, secretary, Greater Minneapolis Chamber of Commerce; Milan Sladek, Tradax, S.A.; and Russell L. Voorhees, Pawnee Corp., Pipestone, Minn.

Ernest G. Booth, Director of the Commerce Department Field Office in Minneapolis, will serve as coordinator for the industry-organized Government-approved mission.

New name, date, product list broaden paper exhibition at Bangkok Trade Center

Thailand part of $3 billion import market; makes less than fourth of needed paper stock; predicts annual paper and products growth rate of 37.8%

A broader scope and a new date have changed the former paper, converting and printing exhibit planned for the Bangkok Trade Center in June into a Paper and Allied Industries Exhibit, now scheduled for Sept. 16-19.

The Department of Commerce-sponsored show has been broadened to encompass paper, converting, printing, packaging and graphics, in addition to the necessary parts, materials, and accessories of the paper industries.

Commerce research indicates that Thailand, a promising part of a $3 billion yearly South-East Asian import market, has need for a wide range of machinery involved in all phases of the paper industry. While their demands for paper and paper products increase, Thailand still produces less than one-quarter of its paper stock locally.

A market development compaign is currently under way. Trade Center officials and commercial officers are contacting buyers and agents to attract them to the September show.

Statistics indicate a growing Thai paper and paper products industry. In the period from 1967-1971, an annual growth rate of 37.8% is predicted for paper and paper products, and 10.6% for printing, publishing and allied industries.

Market studies show a tremendous growth in the use of paper and paper products in Thailand over the past ten years, with consumption estimated to have reached 100,000 tons in 1967. Thailand's domestic paper industry currently produces about 20,000 tons of paper a year. However, with the completion of three new paper plants this year, paper production may be increased to 60,000 tons a year.

This increased capacity is expected to spur expansion of a young paper converting industry. Converted paper products currently are produced mainly in printing plants, and production methods are unable to match growing demands. About 1,000 of these graphic and converting firms are in need of mechanization and are eager to purchase this equipment.

Box makers, printers, bag and sack makers and pharmaceutical houses that package drugs and cosmetics make up the major market for this type of equipment. Smaller paper cup factories, drinking straw factories and paper lining and book binding firms are also interested in U.S. products.

High quality paper is also needed but is not manufactured in Thailand. Businessmen are interested in good quality rag bonds, plain, colored and fancy cover stock, mat and coated book papers, offset papers and fine graphic materials.

U.S. manufacturers of these products participating in other Commerce sponsored shows have been successful in expanding their exports. Twenty-three exhibitors in a paper industry sales exhibit at the U.S. Trade Center in Tokyo in December 1967, reported $60,012 in floor sales, and estimated additional sales at $6.6 million by the end of 1968.

Twenty-one participants in a printing equipment show at the U.S. Trade Center in Stockholm in September 1968 earned $375,000 in off-the-floor sales and projected $1.8 million sales to Scandinavian countries within the next year.

U.S. firms interested in participation may obtain additional information on this exhibit from the U.S. Department of Commerce (BIC-918), Washington, D.C. 20230, Area Code 202, 967-4858, or from any Department Field Office.

Milan will host Ipack-Ima, film competition this fall

Ipack-Ima, a biennial international exhibition of packing and packaging equipment, mechanical handling equipment and food processing machinery, and the International Film Competition are planned for the Milan, Italy trade fair grounds. Ipack-Ima will run from Oct. 4-10, and the film competition from Oct. 9-10.

For additional information, **write:** Dr. Ing. Ezio Landini, Secretary General, Ipack-Ima, V. Ravizza 62, 20149 Milan, Italy.

Spanish exhibition hall open for U.S. product promotion

An exhibition hall in downtown Madrid, operated by FYOFEX, Financiacion y Organizacion de Ferias y Exposiciones, is available to U.S. firms for promotion or introduction of products into the Spanish market.

The 1,400 sq. meter hall is equipped to hold small fairs and monographic exhibitions of products. It is located in the Circulo de la Union Mercantil building which houses offices and conference halls of Madrid's Mercantile Union.

For more information concerning the use of the exhibition hall, **write:** Financiacion y Organizacion de Freias y Exposiciones, Circulo de la Union Mercantil Building, Avenida de Jose Antonio 24, Madrid 14, Spain.

Trieste Fair features timber, by-products in samples display

Timber and its by-products, furniture and coffee, will be major featured items at the 21st Trieste Fair, an international samples display planned for June 15-29.

The 18th International Timber Exhibition, a part of the Fair, will include displays of European and foreign wood products, timber substitutes and allied products, wood-working machinery and raw wood. Products on exhibit will range from furniture to fashions and food.

In conjunction with this exhibition, the 4th International Timber Trade Convention will be held, consisting of business meetings and work sessions.

Aiming at new ideas and styles, the 9th National Furniture Competition will be coupled with the 12th International Convention on Furniture.

Coffee producers, merchants and roasters will hold the 5th International Coffee Day during the Trieste Fair. Trade matters will be discussed at several scheduled technical-economical sessions.

During the 1968 Fair, 1238 exhibitors representing 33 nations, and 15 foreign trade delegations were present.

For additional information, **write:** International Samples Fair of Trieste, Piazzale A. De Gasperi 1, 34139 Trieste, Italy.

First Machine Tool Show in New Zealand planned for Christchurch in April

The New Zealand Machine Tool Show, first of its kind in that country, is scheduled for Christchurch, Apr. 8-18, 1970.

The Canterbury Manufacturers' Association in cooperation with the New Zealand Manufacturing Engineers and Metal Trades Federation is sponsoring the event.

With the accent of the exhibition on how modern machines, operated to capacity, can make major reductions in production time and costs, demonstrations of machine tools, including New Zealand made tools required to aid their development at a satisfactory rate for local and export consumption will be featured.

Types of tools the organizing committee would like to have displayed include electrical discharging machines, gear cutters, and grinding, milling, planing and pressing machines. Representing the growing capacity of the New Zealand machine tool industry will be displays of tooling and turning equipment.

In addition to the exhibition, lectures and films are planned.

To obtain more information available on this exhibition, **write:** R. T. Alston, Canterbury Manufacturers' Association, 263 Cambridge Terrace, Christchurch, New Zealand, P.O. Box 381.

Foreign participation sought in Food, Agricultural Fair planned for Cairo in fall

American and other foreign businessmen are being invited to participate in the first Cairo International Food and Agriculture Fair, Oct. 2-23, at the Guezira Exhibition Grounds.

Developed under the United Arab Republic's General Organization for International Exhibitions and Fairs, this exhibition's purpose is to present a modern picture of advancements in agriculture, food and fishing industries, enable producers to view progress of foreign nations in these areas, and provide opportunities for trade negotiations.

Items for exhibit will range from agricultural and nutritional products, livestock and fish to related machinery and equipment.

A limited number of pamphlets describing the Fair and its regulations are available from the Near East-South Asia Division, Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C. 20230.

Correspondence concerning participation or fair information should be sent to: Director General, the General Organization for International Exhibitions and Fairs, Exhibition Grounds, Guezira, Cairo, U.A.R.

Catalog libraries help Korean buyers learn U.S. products

Three separate units provide information to potential buyers

Catalog centers offer one means of overcoming the barrier to increasing U.S. sales in Korea due to the lack of knowledge and information among some Korean manufacturers and equipment end-users about specific sources of supply in the United States. By default many orders have been placed with suppliers in other countries rather than with U.S. firms.

This shortage of information has also slowed down the use of AID funds made available to Korean development banks for relending to Korean manufacturers.

American manufacturers can increase their exposure in the growing Korean market through:

The National Industrial Research Institute (NIRI) in Korea is presently preparing the groundwork for a Catalog Center which it hopes to open sometime late this year. NIRI plans to write to major manufacturers in the United States, Japan, West Germany, and other countries to solicit copies of their catalogs. U.S. suppliers interested in promoting their sales in this way should contact Dr. Ik Sam No, National Industrial Research Institute, 199 Dongsung-dong, Chongno-ku, Seoul, Korea;

The Pusan Chamber of Commerce, whose membership includes firms located in the second largest industrial area of Korea, maintains a small catalog library. Interested firms may send catalogs and informational material to Hong Chae Cho, Director, Foreign Affairs Department, Pusan Chamber of Commerce, 37, 2-ka Daekyo-dong, Chung-ku, Pusan, Korea;

The U.S. Embassy in Seoul has a much-used Commercial Library with a collection of buyer's guides, industry magazines, and directories, as well as some individual catalogs. American firms wishing to have their catalogs displayed should send them to the Commercial Attache, U.S. Embassy, Seoul, Korea.

Two technical exhibitions will occur simultaneously at Australian fair grounds

Two exhibitions will be held simultaneously Aug. 4-9 at the Exhibition Buildings, Melbourne, Australia: The 5th International Engineering Show, will be held inside, and the Mining, Construction, Plant and Materials Handling Show to take place on the fair grounds.

During the previous engineering show, Aug. 7-12, 1967, the U.S. sponsored an exhibition that had 48 exhibitors, reporting over $5 million in projected sales and $600,000 in floor sales. Ten exhibitors seeking Australian representation signed 26 agents and distributors as a result of show contacts.

The Mining, Construction, Plant and Materials Handling Show will feature exhibits of mining, survey and exploration equipment, material handling and conveying equipment, commercial and industrial construction equipment and other heavy machinery.

For further information on the two exhibitions, **write:** General Exhibitions, Fairs and Conventions (Vic.) Pty. Ltd., (GEFC), 392 St. Kilda Road, Melbourne, Australia.

Hungarian wine competition open to U.S. participation

The Hungarian Ministry of Food and Agriculture is inviting American participation in the 6th Budapest International Wine Competition Sept. 1-11. An exhibition of all entry wines will accompany the competition.

The last wine competition, held in 1966, attracted companies from 28 countries and 1,365 different types of wines.

Further information on this exhibition and wine competition may be obtained by **writing:** Exhibition Office of the Ministry of Agriculture and Food, Budapest, X., Albertirsai UT 10., Hungary.

International Furniture Fair set for January in Cologne

The 1970 International Furniture Fair, one of the largest in the furniture industry, will be held at Cologne, Germany, Jan. 20-25. Held every two years, the fair is only open to trade visitors.

At the 1968 fair, 1,029 exhibitors represented 1,134 firms from 28 countries. Attendance reached 75,770 trade visitors from 68 countries.

Write: Messe- und Ausstellungs-GmbH, 5 Koln-Deutz, Post Box Nr. 210760, Cologne, Germany.

VISITING COMMERCE SECRETARY Maurice H. Stans (above right) greets Center interpreter as Ernest Auerbacher of Alvey Conveyor watches. Possible applications of Virba Screw Inc. equipment (above left) are explained to client by regional sales manager at Milan's Materials Handling show.

Handling Equipment Show draws 2,840 to Milan center

Twenty-six companies attracted 2,840 registered trade visitors to the Industrial Materials Handling Systems and Equipment exhibition at the Milan Trade Center, Apr. 14-25.

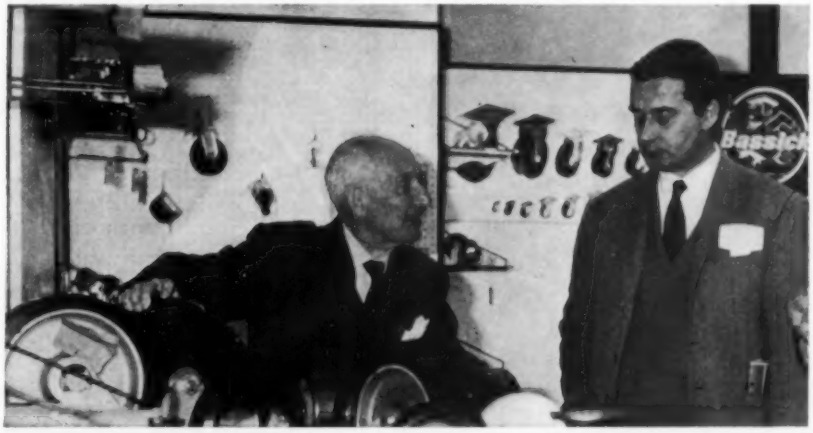
Secretary of Commerce Maurice H. Stans visited the show while on his recent European tour to aid in the fifth birthday celebration of the Milan Trade Center.

Floors sales hit $300,350 during the show, and more than $2.9 million in anticipated business is projected for the coming 12 months.

Fifteen firms indicate full achievement of their marketing objectives, and ten partially reached their objectives. One firm indicated they failed; however, they did state they were pleased with the show, obtained a better understanding of the European market, and may initiate changes in European marketing strategy due to their experiences with the exhibition.

Of the participating firms, only one was new to exporting and 11 had not been represented in the marketing area before.

Unimation, a firm not previously exporting to the Milan market area, stated they obtained such a large number of leads through the show, that Italian sales will be limited only by their ability to produce machines fast enough to meet demands.



DESCRIBING COMPANY'S CASTERS, (above) is representative of Bassick Division, Stewart-Warner Corp. Wexco International Inc. sales manager Joachim Pantaenius (below left) and Herbert Koether, president of Over-Lowe Co., (below, second from left) celebrate signing a new agreement.

Prime audience views advanced U.S. fluidics at London exhibition

Highly sophisticated U.S. equipment in the fluidics and advanced switching gear devices fields was demonstrated to a prime audience at a London U.S. Trade Center exhibition. A symposium with eight speakers from the U.S. and two from Britain created so much interest that enlarged quarters had to be arranged outside the center for it.

The equipment in these fields, intended for specific applications, usually requires custom engineering for each job. It was expected, therefore, that exhibition sales totals would be modest. Nevertheless, orders of $48,400 were written during the Apr. 14-18 show and a year's follow-on sales total of $625,000 was projected by the 20 participating firms.

A new-to-market company, Tech Labs, estimated coming sales at $100,000, followed by Corning Glass with a $75,000 projection, and $2,400 in floor sales. C. A. Norgren, Pitney-Bowes and Power Engineering each estimated future sales at $50,000, while Chemcut reported $20,000 in floor sales and projected sales based on contacts at the exhibition would reach $25,000 over the next year.

Five of the participating firms were seeking new agents or distributors, and as a result of the exhibition, all five are currently negotiating such agreements.

The symposium that was held in conjunction with the show demonstrated the importance of new developments in the U.S. fluidics field to applications in Britain. Attendance at the symposium averaged 200 per session.

EXAMINING ADVANCED DEVICES, visitors discuss business with Corning Glass Works representative. Power Engineering and Equipment Co., Inc., (below) was another of 20 U.S. exhibitors at the show.

FIRST DAY VISITORS view C. A. Norgren Co. display as United Kingdom manager (below left) discusses product, Skinner Precision Industries, Inc. representatives (below right) talk with Area Controls Ltd. agent.

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CURRENT BUSINESS DEVELOPMENTS IN BRIEF: The Head Ski Co., Inc., of Timonium, Maryland, plans to acquire a majority participation in Koeflach Sport Ges. m.b.H., in Koeflach Styria, **Austria,** a subsidiary of Schuhfabrik Koeflach F. Herunter O.H.G. The Austrian firm will change its name to Head-Koeflach Sports Equipment and continue to produce the Koeflach skiboots as well as develop a special Head plastic skiboot which is based on an entirely new concept and will be sold on the American market through the Head sales organization as of Apr. 1, 1970. In addition, Sportinvest Sportgeraete Ges. m.b.H., an affiliate of Head Ski Co., Inc., recently obtained a former Austrian textile mill in Kennelbach, Vorarlberg. This mill has been converted into a ski factory and is expected to start production within the next few months. . . . The Intercontinental Hotels Corp. of New York has opened two new hotels in the Federal Republic of **Germany,** the Hotel Inter-Continental Hamburg, with 300 rooms, and the Hotel Bristol Kempinski, famous German hotel in Berlin which it took over recently. Another hotel, still in the planning stage, will be built in Duesseldorf. . . . **India's** International Airports Committee recently submitted its final report on expansion of four international airports to the Indian Government. After review by the Ministries of Tourism and Civil Aviation, the report will be published, probably not until the end of May. Preliminary indications are that the expansion program will require expenditures of $163 million over a 15-year period, of which an outlay of $60 million will be for getting the Bombay, Calcutta, Madras and New Delhi international airports ready for jumbo jets by 1971.

Canada's builders offer $7 billion sales market

U.S. commercial specialists give glowing on-the-scene reports of construction projects

By GUSTAV E. LARSON
Commercial Attache, U.S. Embassy, Ottawa

The Canadian building materials and products market will reach a value of about $7 billion this year, excluding sales of building machinery and equipment.

Looking ahead over the next several years, the Economic Council of Canada reports new construction in Canada is expected to show an upward trend to 1973. This trend, if realized, would mean that the total building materials and services market for the next five years would be valued at more than $35 billion.

Significant changes are expected in the Canadian construction market during 1969, according to the April *Outlook Report on Private and Public Investment* prepared by the Dominion Bureau of Statistics and the Department of Industry, Trade and Commerce. The report states that non-residential building construction is expected to accelerate more rapidly in 1969 than construction as a whole, as renewed emphasis is placed on building retail outlets, office buildings and hotels.

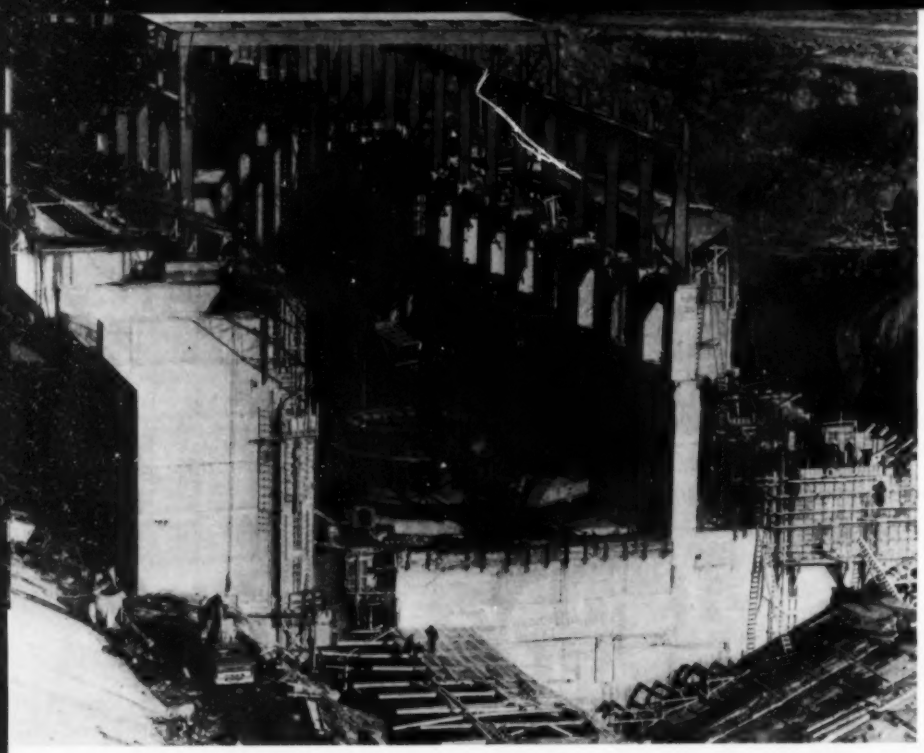
Office construction will in fact boom in most of Canada's major cities, though Montreal is relatively quiet following the Expo '67 building boom. Industrial building is also expected to be up sharply after last year's decline. Also, further advances in the building of educational and hospital facilities are forecast, although the increase will be less than in 1968.

Other construction activity advances this year include housing, up 12%, and roads, municipal works, transportation facilities, and power projects—all up slightly over last year. Construction of stores is expected to be up over last year in all regions except Quebec. In British Columbia, new strength is expected for commercial and industrial construction.

In 1970 alone, the Economic Council expects commercial construction outlays to double, university building to be up by 94%, commercial spending for shopping centers, supermarkets, banks and apartment buildings, to be up by 70%, transportation and storage construction to be up 74%, communication construction to be up 37%, oil and gas construction to be up 38%, and other manufacturing industries (food and beverages, automotive, tire, machinery) construction to be up 41%.

What are the possibilties for boosting U.S. exports to this huge market? Building materials and products imported from the United States, according to Consul Hilding Peterson of Toronto and Consul General John Diggins of Windsor, Ontario, are usually of the specialized type serving the smaller segments and requirements of the total building materials market. Commenting on the nature of the market, Consul General Diggins said, "while basic construction materials such as cement, lumber, and structural steel, are largely of Canadian origin, Canadian contractors and builders depend to a great extent on U.S. imports for such products as window glass, window and thermopane units, finish brick, fire brick, glazed build-

OFFICE CONSTRUCTION WILL BOOM in most of Canada's cities during the next five years. These modern buildings are in suburban Toronto.



DEVELOPMENT OF POWER POTENTIAL will play a significant role in Canada's construction industry during the next five years. Picture shows work on the 600,000-kilowatt Mactaquac Hydroelectric project.

ing brick, marble, slate flooring, specialized plywood panelings, elevators, and major electrical items such as large switches and generators, electrical fixtures, major steam fittings, and heavy boiler plates."

A look at imports moving through Customs ports in the four western provinces show a considerable range of U.S. imports for the construction market in western Canada, such as: mechanical tubing, doors—iron or steel, builders hardware, basic hardware, valves and pipe fittings, insulated wire and cable, plastic flooring and wall coverings, hydraulic pumps and parts, industrial ovens and furnaces, heat exchangers, air purification equipment, firebrick and many other items.

Further, many U.S. exporters may now find that Canadian tariff cuts in the Kennedy Round will make it profitable to boost sales to Canada. Examples of building materials which now, or will by 1972, enter Canada free of duty as a result of Kennedy Round tariff reductions are: hydraulic cement concrete mixes, wet or dry; Portland and other hydraulic cement, n.o.p.; cement clinker; lime; flagstone, sandstone and all building stone, not hammered, sawn or chiseled; granite, rough, not hammered or chiseled; roofing slate; edge-glued or end-glued rectangular wood not over six feet in length or over 15 inches in width; flooring of wood, n.o.p., tongued, grooved or jointed, whether drilled or not.

Additionally, tariff cuts of 50% or more are being made for a series of other products (stone, copper tubing, brass rods). Smaller reductions in duties were made for roofing and shingles; tarred paper and prepared roofings; roofing and shingles of saturated felt; drain pipes, sewer pipes and earthenware fittings for chimney lining or vents, chimney tops and inverted blocks; gypsum tile; bathtubs, basins, closets, closet seats and covers, closet tanks, sinks and laundry tubs of earthenware, stone, cement, clay, or other material, n.o.p., and iron or steel angles, beams, channels, columns, girders and joists.

Distribution of market

The Canadian construction market for 1969 will be distributed as shown in the table accompanying this article. The Province of Ontario, the industrial and commercial heart of Canada, will account for over 35% of all construction this year, followed by Quebec, with nearly a 21% share, the Prairie Provinces, with a 22% share, and British Columbia, with nearly 13%. The Atlantic Provinces will account for slightly less than 9% of all construction.

The three provinces sharing the greatest buoyancy and growth in construction activity in 1969 and immediate years ahead are Ontario, Alberta, and British Columbia. Summaries of extensive building projects about to be undertaken or in advance planning stages in these as well as some of the other provinces follow.

In Ontario, more than $3.9 billion is expected to be spent for all types of new construction in 1969. Outlays expected this year for major categories of new construction are: manufacturing construction, $280 million; utilities, $586 million; trade, financial and commercial, $368 million; housing, $1.3 billion; institutional and government, $1.2 billion. All of the foregoing show substantial increases over 1968 outlays, except institutional and government spending which is up moderately.

Included in projects ready to go in Ontario but not yet started are: 32 subdivisions and apartments, $44.6 million; 28 school and college buildings, $142.3 million; ten office buildings, $101.3 million; three hotels, $67 million; six shopping centers and retail stores, $44 million; five hospitals, $51 million; 13 industrial plants, $22.2 million; and six miscellaneous projects, $435.9 million.

For 1970 and following years, Valdemar N.L. Johnson, U.S. Consul General in Calgary, Alberta, reports that estimated cost of projects included in his survey was about $2 billion. He cited the following as in the planning stage: five

For further details

Details on the projects mentioned in this article may be obtained by writing to the Construction and Building Materials Division, BDSA, Department of Commerce, Washington, D.C. Specifications for the projects are not available, however.

For information on Canadian tariff rates on specific products and trade regulations address inquiries to the Trade Regulations Section, European Division, BIC-888, U.S. Dept. of Commerce, Washington, D.C. 20230.

Additional information on Canadian construction projects will also be published in the June issue of *Construction Review*, a monthly publication of the Department of Commerce. Write: OP&I Subscription Service, Rm. 2320, U.S. Dept. of Commerce, Washington, D.C. 20230. Annual subscription $6.50 (55¢ per issue).

Canadian Construction Market, 1969

New construction and repair expenditures by type of enterprise and region

(Millions of $)

Type of Enterprise	Canada	Ontario	Share of Market %	Quebec	Share of Market %	Prairie Provinces	Share of Market %	British Columbia	Share of Market %	Atlantic Provinces	Share of Market %
Primary industries and construction industry	1,275.5	220.6	17.2	122.3	9.5	653.0	51.1	235.1	18.4	44.5	3.4
Manufacturing	813.8	367.9	45.2	206.6	25.3	69.6	8.5	96.9	11.9	72.8	8.9
Utilities	2,341.9	719.3	30.7	422.6	18.0	584.1	24.9	334.3	14.2	281.6	12.0
Trade, finance and commercial services	957.5	409.4	42.7	186.8	19.6	178.9	18.6	114.0	11.9	68.4	7.1
Housing	3,972.6	1,588.6	39.9	880.8	22.1	669.4	16.8	549.1	13.8	284.7	7.1
Institutional services and government departments	3,903.5	1,403.8	35.9	963.6	24.6	789.6	20.2	350.4	8.9	396.1	10.14
Total	**13,264.8**	**4,709.6**	**35.5**	**2,782.7**	**20.9**	**2,944.6**	**22.1**	**1,679.8**	**12.6**	**1,148.1**	**8.6**

Source: Private and Public Investment in Canada Outlook 1969 and Regional Estimates, Prepared by the Dominion Bureau of Statistics and the Department of Industry, Trade and Commerce, Ottawa.

apartment buildings, $49 million; one apartment building-shopping center, $80 million; two store-office buildings, $38 million; and one hotel, $12 million.

In the industrial field, planned projects to a value of $1.175 billion include new terminal and flight facilities for the Calgary airport, $20 million; a convention, sports and trade center in Edmonton, $28 million; museum, exhibition and grandstand buildings in Calgary and Edmonton, $33 million; a $50 million coal mine development; a $60 million ferrous powder plant; $30 million hydroelectric dam; $25 million for bridges and highways; and two pulp and paper plants valued at $50 million each.

There are seven projects in the educational field, totaling $390 million. These include the $189 million program of the University of Edmonton from 1969-78 (the 1969-70 phase will cost $22 million), and the $53 million program of the University of Calgary from 1969-77 (1969-70 projects will amount to $18.5 million). Rapid transit systems are under discussion for the City of Calgary (preliminary estimates set the cost at $115 million) and the City of Edmonton ($47.5 million). Two other rather extensive projects are a proposed $7 million oil refinery and a $192 million synthetic crude oil plant.

The U.S. Consul General also cited many large projects on which tenders will be issued this year, as follows: seven apartment buildings, $21.9 million; three shopping centers, $31 million; one hotel, $2 million; one office building, $13 million; a housing project, $5.5 million; a $17-$32 million apartment-shopping center complex; a $60 million urban renewal project; the first phase of a ten-year, $500 million, apartment complex-shopping center-community facility, as well as miscellaneous projects amounting to almost $15 million.

British Columbia and Alberta will spend more per capita on new construction in 1969 than any other province, according to Aaron R. Coleman, U.S. Consul in Vancouver. Regarding possibilities for U.S. exporters to share in this new business ($1.6 billion for British Columbia), Coleman said "a great many opportunities do exist" and, "with the northward development of the Pacific Great Eastern Railway, opening up giant forest and mineral reserves in northern British Columbia and the Yukon, the increase of transportation facilities from the interior to the coast,

PROVINCE OF ONTARIO ALONE *will account for 35% of planned Canadian building activity this year, and should continue to play a leading role. This is Ontario's Douglas Point nuclear power station.*

VIGOROUS GROWTH IN PRAIRIE PROVINCES is reflected in planned midtown plaza to be built in Saskatoon, Saskatchewan, at center of picture. City is a regional distribution center for building materials.

and the development and expansion of port and container facilities, a continued high level of construction must be maintained to keep pace with the growth of the economy in British Columbia."

Major projects planned for 1969 and following years include: $67 million for construction of new hotels and expansion of existing facilities; $141 million for combination developments—hotels-shops-apartments-convention center-marina-residential; a $5 million hospital; $7.3 million for a college and a secondary school; a $45 million provincial government building; and approximately $15 million for various highway and bridge projects.

In the industrial area, planned projects include a $4 million box plant; an $8 million sawmill and plywood plant; a $20 million pulp mill; a $2 million expansion to a meat packing plant; and $3.3 million for a new airport terminal.

Starting in 1969, with the completion date scheduled for the summer of 1971, is the $45 million first phase of the $95 million Pacific Centre, which will include a department store, bank tower, and covered shopping mall. In addition, tenders amounting to $20 million will be called in 1969 for Phase One, Stage One, of the $300 million eight-block office-retail-residential complex, "Project 200."

The Province of Quebec, which is in second position in construction activity, had a construction boom before and up to Expo '67, but this has slowed temporarily according to reports from U.S. Consul Harrison Burgess in Montreal.

Burgess also cited expectations of the Montreal Construction Association which, he said, hopes for a rise of about 8% in 1969. In looking beyond 1969, he believes there are good reasons to be optimistic.

Others see dramatic growth in areas where spin-offs from major projects are expected, such as (1) Montreal's east end, where the creation of Place Radio Canada could touch off a series of commercial and apartment projects amounting to scores of millions of dollars; and, (2) a major boom in industrial, commercial, and even residential construction in the area near the proposed multi-million dollar international airport.

Selling the market

A general rule of thumb in identifying exportable U.S. products for the Canadian construction market is that if the market is large, the demand is almost surely satisfied by domestic production. If the product or material demand is limited and specialized, possibilities for U.S. exporters offering such products are probably very good.

U.S. producers of construction materials and products, who wish to sell to Canada, can do so in a number of ways, including through manufacturers' agents and/or building materials importers. While a major share of the Canadian market can be reached through a relatively few distribution points, the chief centers through which building materials must move to reach construction projects are Toronto, Windsor, Hamilton, Ottawa, Montreal, Quebec, Saint John and Halifax in the east, and Vancouver, Calgary, Edmonton, Regina, Saskatoon, and Winnipeg in the west.

Manufacturers' agents are often appointed to handle geographic segments of the Canadian market rather than the entire market. In general, it is true that the more sales efforts are localized, the better the sales results will be—providing the market potential is available.

Many U.S. firms, well established in the Canadian construction market, sell through building materials importers who, in turn, may be tied into building supply outlets in some of the major centers.

Daily and weekly construction project information is obtainable from Southam Business Publications Ltd., 1450 Don Mills Road, Don Mills, Ontario, on a subscription basis.

Contributors

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Legal, accounting committees formed to advise Commerce on direct investment program

Secretary of Commerce Maurice H. Stans has established legal and accounting committees to serve in an advisory capacity to the Director of the Office of Foreign Direct Investments.

Secretary Stans appointed ten attorneys to the Advisory Committee on Regulations and eight accounting executives to the Advisory Committee on Accounting. Members of both committees will serve until Dec. 31.

Members of the Advisory Committee on Regulations are: Mark H. Berens of Chicago; Richard M. Eigner of San Francisco; John Ellicott, Monroe Leigh, Franz M. Oppenheimer, and Samuel A. Stern of Washington, D.C.; and S. R. Bross, Jr., John P. Carroll, Jr., Kendyl K. Monroe, and David Simon of New York City.

Members of the Advisory Committee on Accounting are: Clemens A. Erdahl, Charles H. Fish, Samuel M. Frohlich, Thomas B. Hogan, Wilfred H. Hughes, Walter F. O'Connor, Julian O. Phelps, and Edward D. Ryan, all of New York City.

Bahrain holds promise

Skilled and enthusiastic merchants are top resource, but economy faces problems

By CHERIE LOUSTAUNAU
Near East-South Asia Division, BIC

Ideally situated in the Gulf off the coast of Saudi Arabia, Bahrain was a flourishing entrepot between Indian and Mesopotamian civilizations as early as 1500 B.C. Today, Bahraini merchants and traders are still noted for their business acumen. Their skills and enthusiasm have initiated significant industrial enterprises and they may well be the sheikhdom's most valuable resource.

In the next few years, Bahrain faces large problems. The most difficult perhaps is unemployment, which is especially high among Bahrain's growing educated population. Forty-five thousand pupils, or almost one-quarter of the population, are in school. The situation will be further complicated by the proposed British withdrawal from the area by 1972. This will result in the loss of jobs and local spending provided by 3,000 troops and their dependents as well as the loss of $1.2 million in base rental fees per year.

Neighbors compete

In addition, there is rising competition from the other sheikhdoms and Saudi Arabia for commercial preeminence in the Gulf, a leveling off of relatively small oil revenues and a rising demand for increased spending on social projects and development.

To counter the growing problems, the Government, with the encouragement and participation of local businessmen, has taken a number of steps to expand industrial development and attract foreign business. In 1961, a deep water harbor was completed at Mina Sulman with a Free Zone, bunkering services and docking and unloading facilities for six ocean-going ships. The Bahrain Ship Repairing and Engineering Co. operates two slipways for vessels of weights up to 1,000 tons and 200 feet in length.

There are also tentative plans to build a dry dock with facilities to service all but the largest tankers and a computer system for controlling, loading and servicing tankers throughout the Gulf.

The Bahrain Petroleum Co. (BAPCO), a subsidiary of Caltex, is currently the largest industrial complex in Bahrain. Production is about 75,000 barrels per day and annual oil revenues total approximately $15 million. These figures are leveling off and may even begin to decrease. Consequently, BAPCO has, over the years, taken pains to diversify by undertaking petroleum technological developments adapted to Bahrain's economy.

The BAPCO refinery, one of the largest outside the United States, currently handles about 245,000 barrels of crude per day, about two-thirds of which is imported via pipeline from Saudi Arabia. At the end of 1968, an expanded hydrogen desulphurizing unit was commissioned with a capacity of 15,000 barrels per day. BAPCO will also build ancillary installations for a new aluminum plant, including the two wells which will supply the natural gas, dehydrating and other treating equipment, gas lines and various control systems.

The cornerstone for the aluminum smelter was laid in January. It is being built by Aluminum Bahrain Limited (Alba), a consortium of British, Swedish and Bahraini firms, and it will have an annual production capacity of 90,000 tons of metal. Natural gas is to come from the fields on which the plant will be situated and the raw alumina will be supplied by Alcoa from Australia.

When completed in 1972, the plant will provide employment for about 600 skilled and semi-skilled workers. Its production will be marketed primarily in Western Europe and is expected to provide about $50 million annually in export earnings. Assuming the success of the project, plans are being made to add subsidiary industries to process some of the metal produced and to eventually form a large industrial complex around the smelter.

The Gulf's first full-scale plastics manufacturing plant began operating last August with the production of jerry cans, soft-drink cases, screw-on tops and other small items. The plant is located in the Free Zone at Mina Sulman. It trades under the name of Gulf Plastics Industries, a division of A.A. Zayani & Sons of Bahrain.

Future plans include the development of an additive to be used in the raw material formula to make the plastic resistant to extreme temperatures, as well as the manufacture of a variety of industrial and consumer plastics. When it reaches full production, the plant will supply Bahrain and the surrounding area at competitive prices. The factory is also equipped with air compressors and with workshops to carry on routine repairs and maintenance

Recent undertakings also include the full development of shrimp fishing, one of the Gulf's oldest industries.

Bahrain airport is served by British Overseas Airways Corp. (BOAC) and by the airlines of neighboring countries. In addition, Gulf Aviation, incorporated in Bahrain, flies regularly to Kuwait, Saudi Arabia and to the lower Gulf states. The traveler can find accommodations in two

CALTEX SUBSIDIARY'S PETROLEUM REFINERY AT BAHRAIN is one of the largest outside the United States, and the firm plans to build several ancillary operations. Here, a Bahraini operates a valve at the refinery.

new luxury hotels, the Delmon and the Moon Plaza and, by the end of 1969 a third hotel, the Gulf, will be completed.

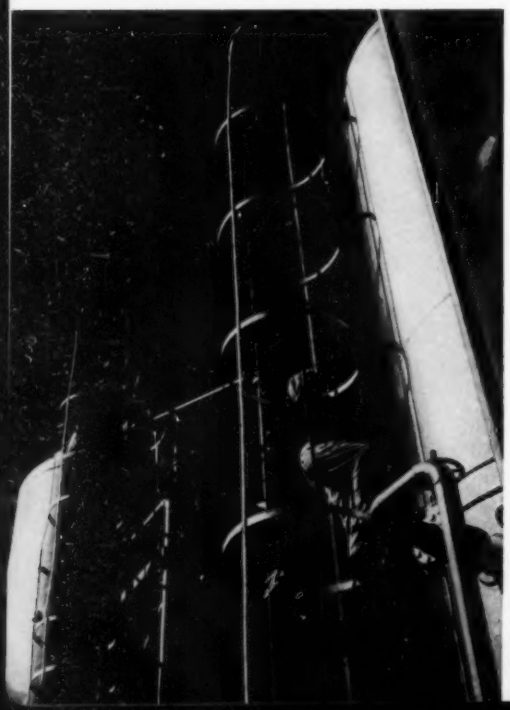
Easing visa requirements

Local businessmen, through the Bahrain Chamber of Commerce, have succeeded in aiding foreign businessmen still further by obtaining a revision in the entry visa regulations. Any person holding a valid passport for travel to Bahrain may obtain, without prior application, a 72-hour visa on arrival at the Bahrain airport, provided he has confirmed onward or return reservations. If the planned visit is to last more than 72 hours, the visa must be acquired prior to arriving at Bahrain. The individual must request a "No Objection Certificate" from the Bahrain Government Immigration Department; this he presents to any British Consulate or Embassy to obtain the visa.

Bahrain's laws and regulations are hospitable to foreign investment and participation, and local capital, though not abundant, is available and venturesome. There are six banks currently operating in Bahrain and offering comprehensive banking services and facilities through which local capital participates in new commercial and industrial enterprises. There are no income or corporate taxes and no limitations on the repatriation of profits by foreign-owned companies.

American businessmen will find in Bahrain an excellent opportunity to enter into joint ventures involving the design, supply and operation of small manufacturing plants.

BAHRAIN WELCOMES FOREIGN INVESTMENTS, which will help cushion the impact of several problems facing its economy. This worker is making his rounds at the Caltex subsidiary's refinery.



Booming Hong Kong industries signal full recovery from unrest; regional U.S. offices invited

Self-supporting Colony's exports grow at unprecedented rate; electrical machinery and appliances are best U.S. sellers in market

By NATALE H. BELLOCHI
Commercial Officer, U.S. Consulate General, Hong Kong

In terms of industrial activity, Hong Kong has fully recovered from the disturbances of 1967 and her exports are continuing to boom at an unprecedented rate.

Despite the fact that the market for agricultural commodities will doubtless decline in 1969, other areas offer good potential for U.S. sales. Textile and garment-making equipment, office equipment including computers, pharmaceuticals, synthetic yarn and materials handling equipment all could find a ready but discriminating market.

As a base for U.S. firms to establish regional marketing operations, Hong Kong offers unusual opportunities. Such facilities not only serve to increase sales to Hong Kong but also to the entire Asian area. U. S. firms are increasingly aware of this fact and are moving to the Colony in growing numbers.

Although Hong Kong is a Colony, it is for all practical purposes an autonomous city-state. While matters of foreign affairs and defense are handled by the United Kingdom, the control of domestic affairs is in the hands of the Hong Kong Government. The government is headed and run largely by British civil servants, but their outlook and efforts are, on balance, directed in the interest of the Colony. Its financial status is such that it is economically independent and Hong Kong's financial reserves in fact are an important support for the pound sterling in London.

Hong Kong has some of the characteristics of both a city and a state. It provides all the services normally provided by city government; it debates the need for more educational facilities, rapid transit systems and the other problems endemic to a modern city. Also, like a city, it does not have its own raw materials but brings things from the outside to manufacture and ship out. It has, like any large city, all the financial and commercial services normally required.

Like a state, however, the government of Hong Kong must also concern itself with economic infrastructure as well. Power and water systems, for ir stance, building a containerization port area, expanding airport facilities, and negotiating trade agreements, are all signs of national rather than municipal stature.

In 1969, Hong Kong is a thriving metropolis, sophisticated to a greater degree than any city in Asia outside of Japan, offering financial, commercial, and trade facilities to points throughout Asia. Installations of computers and time sharing, for example, are becoming common in Hong Kong.

Hong Kong began as an entrepot port for trade with Southern China. It remains one of Asia's largest entrepot ports to this day, although it performs this function now primarily for many countries in Southeast Asia as well as for China.

No state planning

Economic growth in Hong Kong, while it has been as great or greater than other countries in Asia, has taken place without the government planning so common to nations today. The Hong Kong Government has remained firmly fixed to a laissez-faire policy. Economic growth, therefore, has been entirely due to private efforts, with only peripheral assistance in services from the government.

Hong Kong has a population of about four million, 98.5% of whom are Chinese. The growth rate of the population is over 2% and, significantly, more than 50% of the people are now Hong Kong born. Living standards continue to improve; in 1966 it was estimated that as much as 70% of the households earned less than $100 a month, but there is a growing middle-class where household incomes run well over this figure.

As a national accounting system is not yet in operation, gross national product figures are not now compiled by govern-

ment but GNP is believed to be around $2.5 billion and increasing rapidly.

Of the over 12,000 registered companies in the Colony, the following categories are the most important: 1,600 textile companies (770,000 spindles), 1,500 garment companies, 1,600 metal products firms, 1,500 plastic ware companies, 550 food companies, and 100 electronic companies.

In addition, tourism is a very important and growing source of income to Hong Kong. It is, in fact, its second largest industry. There were over 600,000 tourists in 1968 that stayed in Hong Kong's almost 7,000 hotel rooms.

Hong Kong's trade is generally in balance. The Colony imports from Japan, China (mainland), United States, and United Kingdom in that order, and exports mainly to the United States, the United Kingdom and Japan. It imports primarily food, textile yarn, iron and steel, paper, and machinery; it exports clothing, plastic ware, textiles and electronic goods, and other light industry products.

The hard working and relatively skilled workers of Hong Kong number about 1.6 million and are paid from about $1 per day (unskilled) to $6 per day (skilled). Wages are increasing at a modest rate.

Self-supporting

Hong Kong is financially self-supporting, with reserves of over $200 million. The government budget runs around $350 million. Both personal and corporate taxes do not exceed 15% of gross income, and general tax provisions are very favorable for operating a business. Hong Kong is a free port with only a very limited number of dutiable imports and with virtually no red tape. There are 71 banks with about 350 offices, 100 brokerage firms, and 208 insurance companies. This plus the fact that there are minimal restrictions on foreign exchange makes Hong Kong one of the largest financial centers in Asia. Interest rates for loans run around 8%, and the current boom in exports has produced considerable liquid capital in the Colony's banks.

There are over 100,000 registered vehicles, 1,500 buses, and almost 4,000 taxis on Hong Kong's 619 miles of road. Twenty-three airlines operate through Hong Kong, with some 300 scheduled arrivals per week. The port is one of Asia's largest, handling more than 6,500 ship arrivals that off-load almost nine million tons of cargo per year. Most of the cargo is off-loaded in mid-harbor by lighters, but turn-around time is still one of the fastest in the world.

In essence, then, the Hong Kong market, because of its free port status and improving standard of living, is sophisticated and highly competitive. Although its population is small compared to other countries in the area, it is the third largest cash market for U.S. products in Asia, and worthy, therefore, of a good hard look by U.S. exporters.

The United States purchases over 40% of what Hong Kong exports (and Hong Kong exports about 95% of what it produces). Imports into Hong Kong from the United States, however, run far below this level. In 1968 Hong Kong exported $594 million worth of goods to the United States, while importing $283 million from the U.S.

Much of Hong Kong's imports from the United States were in agricultural products such as raw cotton ($34.5 million), fruits and vegetables, rice, and other commodities. There were also substantial imports of electronic components and diamonds, but much of these were later re-exported back to the United States after processing. Electrical machinery, apparatus and appliances, the largest category of imports from the United States were at about $51 million.

Considerable effort is being made to close the large trade gap. This is being done despite the prospect that agricultural sales to Hong Kong will probably decline somewhat in 1969, while Hong Kong's exports to the United States, which rose by 33% in 1968, are continuing to boom. However, there are areas in the Hong Kong market which offer good prospects for sales of American products.

The textile industry—one of Hong Kong's largest—is going through a period of modernizing equipment and a gradual change from straight cotton cloth and cotton garment-making to blends and synthetics. Thus sale of textile, knitting, and garment-making equipment, synthetic yarns and chemicals offer good prospects. Expansion plans by a number of local warehousing firms and the new airport cargo center will provide opportunities for sales of material handling equipment. The continuing growth in tourism should stimulate sales for tourist-related products.

The Colony provides a growing market for computers and other data processing equipment, and office equipment of all types offers a strong potential for sales as well. As Hong Kong imports all its pharmaceuticals, it offers a good market for this category of goods itself, but also offers interesting possibilities for regional warehousing and distribution. This is also true of chemicals and other categories of goods.

For U.S. firms thinking of doing business with Honk Kong, the American Consulate General has World Trade Directory reports about local firms on file. These reports are available from the U.S. Department of Commerce or any of its 42 Field Offices throughout the United States. The Consulate General also has a small sample display case that can be used by American firms hoping to locate a Hong Kong representative. In addition, it publishes a monthly Commercial Newsletter in Chinese and English, which contains trade opportunities, and encourages local companies in representing U.S. products. It is mailed to 2,000 subscribers, most of which are importing houses.

The Hong Kong Trade Development Council, Ocean Terminal, Kowloon, Hong Kong, and the Federation of Hong Kong Industries, United Chinese Bank Bldg., Des Voeux Rd. C., Hong Kong, both offer services to foreigners interested in doing business with Hong Kong.

Potential marketing center

In addition to the market that Hong Kong itself represents, there are other aspects to the Colony that offer good market potential for U.S. companies. OBR 68-97, Dec. 1968 *Hong Kong as a Regional Marketing Center*, presents the advantages that can be gained by U.S. firms who establish marketing centers in Hong Kong for sales throughout Asia. Its status as a free port, its large and inexpensive warehousing facilities, the large volume of shipping and air traffic, the ease of travel, and the very favorable tax climate, all represent interesting elements in building a regional marketing operation. Hong Kong also has excellent computerized telecommunications facilities, and it is a major insurance and financial center. Banks also offer re-exporting services to non-resident firms.

There are now over 400 U.S. companies registered in Hong Kong, over 200 of which have regional responsibilities. The number of this latter group has been increasing rapidly; it is estimated that about one major U.S. firm per month has been moving a regional marketing office or warehousing facility to Hong Kong.

One result of the growing number of U.S. companies in the Colony has been the recent formation of an American Chamber of Commerce (Rm. 322, Edinburgh House). Although the Chamber is only a few weeks old, it hopes to provide a wide range of services to the American business community in the very near future.

For U.S. firms with regional responsibilities, a small Regional Business Information Center is located in the American Consulate General. Regional publications are available, such as *The Far Eastern Economic Review*, *Modern Asia*, *Asia Industry*, and the *Far East Builders*. All of these publications are printed in Hong Kong.

U.S. chemical sales to Italy rose 14% last year, but total imports were up 16%; EEC tops market

Common Market partners furnish 63% of total; Italian exports increased almost 13%; U.S. has heavy surplus in two-way trade

Italian imports of chemicals from the United States in 1968 rose to $124.8 million (14.4% higher than in 1967) notwithstanding the strong competition from Common Market countries, according to the annual industrial outlook report on the Italian chemical industry prepared by the American Embassy in Rome.

Principal import items from the U.S. included: pesticides and insecticides, paints and varnishes, synthetic rubber, pharmaceutical preparations, and miscellaneous chemicals such as carbon black, sodium borates, caprolactam, etherocyclic compounds, and ormons.

Italian chemicals exported to the United States totaled $36.1 million, compared to $29.9 exported in 1967. Major exports were: mercury, titanium oxide, aluminum, sodium fluoride, trichloroethylene, tetrachloroethylene, essential oils, pharmaceutical preparations, plastics materials.

Total imports and exports of chemicals both rose in 1968, the former by 16.2%, reaching $843 million, the latter by 12.9% attaining $785.4 million. The deficit in the trade balance of chemicals rose from $29.6 million to $57.6 million.

About 63% of total chemical imports in 1968 came from the Common Market Countries (this percentage was 62 in 1967). West Germany was the largest supplier, followed by France and the United States.

Raw materials

Principal raw materials imported by Italy for the chemical industry in 1968 (in tons, with 1967 figures in parentheses), were: natural phosphorites (phosphate rock) 2,161,510 (1,900,368) of which the largest supplier was the United States with 1,195,328; raw sulphur 145,300 (74,330) of which 40,070 came from France, 31,900 from the United States and 18,050 from Canada; iron pyrites 1,099,033 (1,205,379) with the USSR supplying 712,665; natural borates 82,000 (70,752) mostly from Turkey 74,045; bauxite 585,924 (542,537) mostly from Yugoslavia. As in 1967, France and West Germany were again Italy's major customers. Other substantial Italian exports went to the Netherlands, the United States, USSR, Communist China, and the United Kingdom.

In 1968 the Italian chemical industry continued to make progress, with gains registered in production, consumption, export and technological improvements. Larger companies, in order to meet foreign competition, are introducing equipment of advanced design and allocating more resources to research. Smaller firms are somewhat at a disadvantage with respect to technology and research. By and large the overall outlook for the industry is encouraging and business executives are looking to the future with optimism.

The acquisition last year by the two State-owned holding companies (IRI and ENI) of the controlling shares of the largest private chemical producer Montecatini-Edison has created concern in business circles. As a result of this action the new chemical complex will dominate the chemical sector.

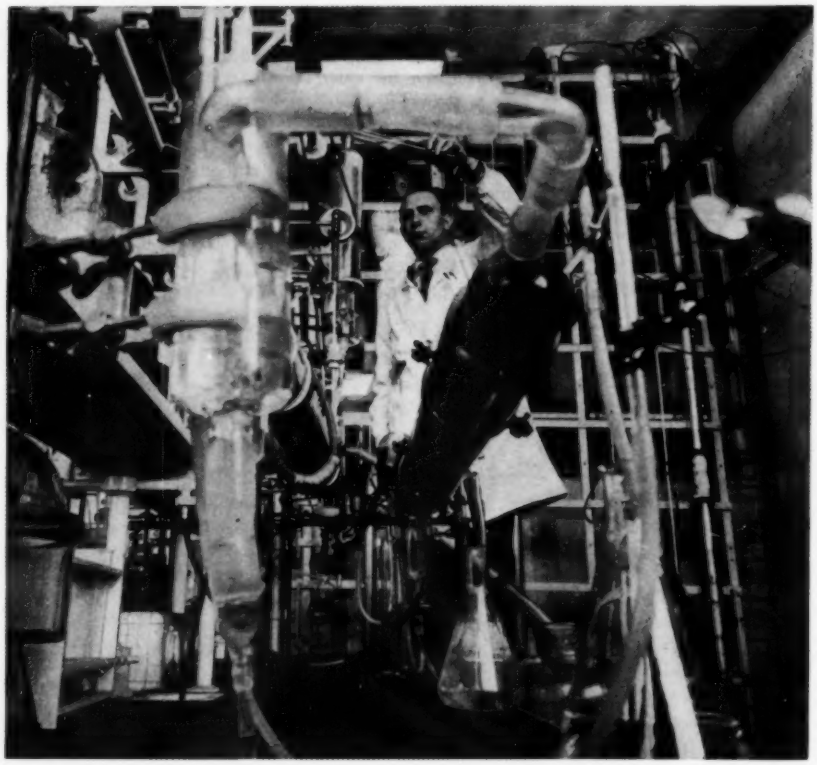
There have been important new plants constructed both by Italian companies and several foreign firms which have invested in Italy. Business activities have also included a number of significant patent licensing agreements.

Outpace overall growth

The year 1968 was highly successful for the Italian chemical industry, with overall chemical production rising by 11.4%, outpacing the rate of growth of the overall manufacturing sector (6.1%).

Sales in the domestic market progressed satisfactorily, while prices of many chemicals declined because of the

ITALY'S EXPENDITURES ON CHEMICAL RESEARCH jumped from $68.2 million in 1967 to $93.9 million in 1968. This research chemist works at a polyamide resins plant operated by Rhodiatoce near Novara.



competitive pressure from foreign producers in the Italian market. In particular, the wholesale price of plastic products dropped by about 9% and that of basic chemicals by about 4%.

The major consumer of basic chemicals was the chemical industry itself, reflected in the remarkable expansion of shipments of sodium tripolyphosphate, sodium perborate and alkylbenzene to the detergent manufacturing industry. Other important consumers included the artificial fiber, the paper, the pottery, the tanning and the metallurgical industry. A revival in building construction fostered production of window glass and, consequently, a higher consumption of chemicals by the glass sector.

Basic chemicals

Inorganic chemical output increased by a modest 2%, with synthetic ammonia, caustic soda, and phosphoric acid registering new gains, while production of sulphuric acid and calcium carbide declined.

Organic chemical production showed a remarkable 15.3% increase. Aromatic hydrocarbons from petrochemical processing (benzene, toluene, xylene), ethylene and its derivatives, phenol, acetone, methanol and formaldehyde output reached record levels. Phthalic anhydride was produced in substantially higher quantity, favored by increased export sales since domestic demand remained stationary.

In 1968 total production of fertilizers reached a new record of 7,616,000 tons, or 4.4% higher than in 1967. This increased output was not, however, accompanied by an expansion of domestic consumption, as hoped by the industry. Compared to the other EEC countries consumption of fertilizers per unit of cultivated soil is very modest in Italy. Retail prices of fertilizers are among the lowest within the European Community Countries. Competent sources believe that proper technical guidance of Italian farmers would result in a wider use of these chemicals.

However, and pending an increase in domestic consumption, producers are seeking to expand exports. In 1968 sales abroad of fertilizers were about 1.9 million tons or 200,000 tons more than in the previous year.

Total pharmaceutical sales in 1968 were estimated between $710-720 million, up about 10% over the previous year. The average wholesale price dropped by 3.7% during the year. Major production increases were noted for penicillin, chloroamphenicol, P-amino salicyclic acid and tetracyclin.

The Ministry of Industry and Commerce recently announced that it will present to the Parliament a draft of a law providing for the patenting of pharmaceutical processes. It also announced price reductions averaging 13.5% of the retail prices of 1968 drug preparations (both domestically produced or imported) presently on sale in Italy. These reductions will principally affect antibiotics, vitamins, extract of organs, vaso-dilators and liver protecting substances.

Large pharmaceutical firms are expanding their facilities and other foreign firms are establishing manufacturing operations in Italy. Press sources recently reported that Imperial Chemical Industries of Britain will build a pharmaceutical plant near Milan. Upjohn recently opened a new pharmaceutical complex at Caponago, near Milan.

Production of plastic materials in 1968 reached the new record of 1,399,000 tons, compared to 1,222,000 tons (revised) in 1967. Knowledgeable sources forecast that production will be about two million tons by 1970. Particularly significant were production gains for polyethylene and polyisobutylene, totaling about 350,000 tons (293,000 tons in 1967); PVC production went up to about 424,000 tons (405,000 tons in 1967); polystyrene rose to 146,000 tons from 117,000 the previous year.

The average wholesale price of plastic materials dropped by about 9% during the year 1968. Despite this drop plant facilities operated close to capacity, and exports reached 639,783 tons.

Consumption of plastic materials in Italy is continuously growing because of widespread and diversified use, low cost, extreme lightness, lack of noise and aesthetic qualities. Plastic materials are now replacing conventional materials in many applications, and have been extensively adopted by the mechanical, agricultural, building, transportation and consumer durable goods industries.

Research and investments

According to the National Research Council, major Italian manufacturers of chemicals, including State corporations, invested $93.9 million in research during 1968 ($68.2 million in the previous year), with Government sponsored research contributing $16.2 million. As in the past most of research was being confined to product improvement on mass-produced items, with pure research activity remaining minimal.

Actual investments in the chemical industry in 1967 amounted to $437.8 million. A survey made by Confindustria (General Confederation of Italian Industry) in 1967 forecast a total of $521 million investments in 1968 and $601 million in 1969.

World Bank loans go to Congo, Tunisia, Tanzania, Jamaica

IDA credits to improve roads, railways, education, water supply

The World Bank and its affiliate, the International Development Association (IDA), have approved loans and credits equivalent to a total of $27,630,000 for rehabilitation and modernization of the railways in Tunisia, for the expansion and improvement of secondary education and teacher training in Tanzania, for highway studies in the Congo (Brazzaville), and for the expansion of the water supply system in Kingston, Jamaica.

The loan and credit to Tunisia, totaling $17 million, will finance the foreign exchange costs of a $29.2 million project to rehabilitate and modernize the Tunisian railways. It includes track renewal, the acquisition of locomotives, rolling stock, equipment for maintenance and workshops, and consultants' services.

The $5 million credit to Tanzania will finance 70% of the cost of a project designed primarily to increase the number of secondary school graduates and to improve the quality of their education. It involves the construction of one new secondary school with places for 600 students; extensions to 24 existing secondary schools to provide another 3,500 places; and facilities in the schools for teaching agricultural, commercial, and technical subjects to nearly 11,000 students. One secondary and two primary teacher training colleges will be enlarged.

The IDA credit of $630,000 to the Congo will finance engineering and related studies to prepare the way for the construction of a 90-mile road leading to an area which contains about three million acres of forest, and for the upgrading of a 27-mile road between the seaport of Pointe Noire and Bondi which gives access to an agricultural region and serves a potash mining area.

The Government of Jamaica has given high priority to expanding the water supply system in Kingston, the country's chief commercial and business center. The project being assisted by the Bank with a $5 million loan will utilize new fresh water sources outside the Kingston area and the works to be undertaken will increase water to the metropolitan area by more than a third, sufficient to meet the city's needs until 1976.

Indian outlook brightens

Good years for agriculture reflected throughout economy; U.S. is top supplier

The Indian economy is now almost fully recovered from the recent recession, according to the semi-annual Economic Trends Report from the U.S. Embassy in New Delhi. Prices have remained generally stable, industrial output has moved ahead and private investment activity has begun to recover.

A notable feature of the 1968-69 fiscal year was increased Indian exports and reduced imports. Reduction of Indian imports by approximately 6.8% was due in large part to a lag in industrial demand resulting from the recent recession.

The overall growth of Indian exports by more than 12% during the same period, however, reflected a significant increase in exports of non-traditional goods, including light machinery, steel and steel products, more than offsetting declines in such leading traditional export items as jute manufactures and tea. More vigorous export sales efforts and increased industrial activity indicate the probability of increases during 1969 both in non-traditional exports and in imports.

The United States is expected to continue to be India's leading supplier in 1969. Exports from the United States are expected to continue strong in fertilizers, pesticides, chemicals, foodgrains, specialized machinery, scientific equipment and other products of advanced technology.

AID still significant

To a considerable extent the level of direct aid and other assistance extended to India by the United States and other cooperating countries will determine the level of U.S. exports in 1970. In recent years over 75% of U.S. exports to India have been directly related to the availability of foreign exchange under U.S. aid programs.

Indian demand for foodgrains, cotton, vegetable oil and tallow is expected to continue at relatively high levels. This is of importance both to U.S. trade as well as to the Indian economy.

In April the Government indicated that it expects to import fertilizers valued at $280 million during fiscal 1969-70; imports are expected to be primarily urea, ammonium sulphate and calcium ammonium nitrate, with limited quantities of other fertilizers. U.S. suppliers should also seek export opportunities not only for AID-financed fertilizers but also for those financed by free foreign exchange.

With Indian industrial production now expanding, U.S. short-term export prospects for industrial raw materials, components and spares for priority industries, and specialized machinery are likely to improve during the current year.

In addition to agricultural commodities, fertilizers and pesticides, the expanding Indian market is expected to offer significant export opportunities for American suppliers of specialized machine tools, electronic equipment, food processing machinery, certain agricultural machinery and components, chemicals, lubricating oils, sulphur, medicinal and pharmaceutical products, non-ferrous metals, special steels and transportation equipment.

Longer-term export prospects also appear favorable; however, results are likely to be proportionate to sustained sales development efforts.

U.S. is top supplier

During the 1960's the United States emerged as India's primary trading partner, as well as India's leading source of foreign private equity investment. In recent years India has been a billion-dollar market for U.S. products. While the greater part of Indian purchases from the United States has been financed under the AID Program and PL 480, India's commercial imports from the United States nevertheless averaged $234 million annually for the five years ended Mar. 31, 1968. For 1968-69, total Indian imports are estimated at $2.45 billion.

During 1968, 36 Indo-U.S. business collaborations were approved by the Government of India, compared with an annual average of 54 during the preceding five years. Of these 36 approvals, 12 involved direct investment by U.S. companies. Late in 1968, the Government of India announced the establishment of a Foreign Investment Board for streamlining the approval process relating to foreign investments. However, the effectiveness of the new procedures remains to be established.

Since 1962, U.S. companies have provided more than half of the total net private foreign equity capital for India. Negotiations in process indicate the possibility of a moderate increase in recent levels of U.S. private investment during 1969 and 1970. Investments in the fertilizer industry are likely to predominate, but growth is expected in farm machinery, chemicals, pharmaceuticals, electronic equipment and other products of advanced technology.

Recent policy pronouncements suggest a higher degree of selectivity with preference to industries of sophisticated technology. This is likely to result in concentration on a smaller number of larger projects than in recent years. Export-oriented industries tend to receive more favorable consideration.

Agricultural production during the 1968-69 crop year gives prospect of nearly equaling the record output during 1967-68 of 95.6 million tons of foodgrains. Reaching this level of production with less than optimum rainfall reflects the increasingly widespread application of improved agricultural technology, including more extensive use of fertilizers, pesticides and improved seed. Increasing farm mechanization in some areas may also be a significant factor.

The economy continued to move moderately upward during the third and fourth quarters of the 1968-69 Indian fiscal year. The upturn continues to be strongest in industries related to agriculture, but selective in other sectors of the economy. Tractors and the agricultural equipment industries in general achieved a record year and anticipate higher production and sales during 1969-70.

Accounting for over 50% of national income, the non-agricultural part of the economy showed continued improvement in nearly all areas. Even in heavy manufacturing, which is lagging behind the overall economy, moderate improvement was indicated in recent months. Production of consumer goods is moving upward. Such widely sold consumer durables as bicycles and low-priced transistor radios continue to grow steadily. Leading private

manufacturers of machine tools report their order backlog for capital goods sharply improved over the last two years.

However, for the most part, heavy manufactures are showing only moderate improvement and are burdened with considerable unused capacity. Production of trucks and other motor vehicles last year exceeded both 1966 and 1967 totals. A record year for industrial production is expected in 1969.

Overall, the 1969 outlook for non-agricultural industries is favorable in spite of some soft spots. There exists, however, a close relationship between agricultural production and the rest of the economy. Just how well industry will fare during the last half of 1969 depends to a considerable extent on the new harvest; this in turn remains heavily dependent on the adequacy of rainfall during the summer.

The regional outlook varies. In Western, Northern and Southern India generally, the outlook for industrial expansion is good and in some industries strong. Capacity for fertilizers and chemicals related to the rural economy, as well as agricultural equipment, is expected to show substantial growth during the current fiscal year. Demand will continue to outstrip domestic supply in all areas, except temporarily in some parts of Rajasthan and South India.

Optimism turns to caution

In Eastern India, the cautious optimism that was building up among the business community in West Bengal prior to the mid-term state elections of February 1969 has been replaced by extreme caution. Most industrialists there have now adopted a wait-and-see approach, in the belief that the political and economic environment in that state is too uncertain to justify major new investment decisions.

Industrial production, a late starter in the economic upswing, moved forward at an increasing rate through the year, and prospects are for continued growth during 1969. Stimulated by improved agricultural incomes, consumer goods industries recovered during 1968 and maintained their growth throughout the year. Favorable prospects on agricultural incomes are expected to continue to contribute to expansion of both consumer industries and agro-industries.

Growing demand is also evident for commercial and passenger vehicles, rubber products including tires and tubes, selected chemicals and pharmaceuticals, farm machinery, aluminum and nonferrous metals, selected scientific instruments and electrical equipment. While improving, the prospects remain generally slow for fabricated steel structurals, heavy industrial machinery, railway freight cars and heavy steel mill products.

The index of wholesale food prices had declined 8% by February from the level of the same month of 1968. Foodgrain prices, the most important element of wholesale food prices, declined by 13.5% near their seasonal low to an index of 188.4 during the same period. The outlook for the next few months is for a slight upward movement of both indices due to seasonal factors.

The price index for industrial raw materials increased 13.4% from the level for February of 1968.

More purchasing power

Increased purchasing power in India's rural areas has been reflected in higher sales of agricultural equipment, including tractors, farm machinery and small irrigation equipment. Agricultural tractor manufacturers generally report record backlogs and rising sales. Substantial plant expansion is projected to serve growing rural demand.

Sales of consumer necessities are reported strong. Key indicators such as bicycles, small transistor radios, hurricane lanterns and flash lights, and to some extent cotton textiles continue to move up from the levels of a year ago. Invigorated marketing efforts by leading manufacturers serving rural markets are achieving satisfactory results, with improved sales and profits.

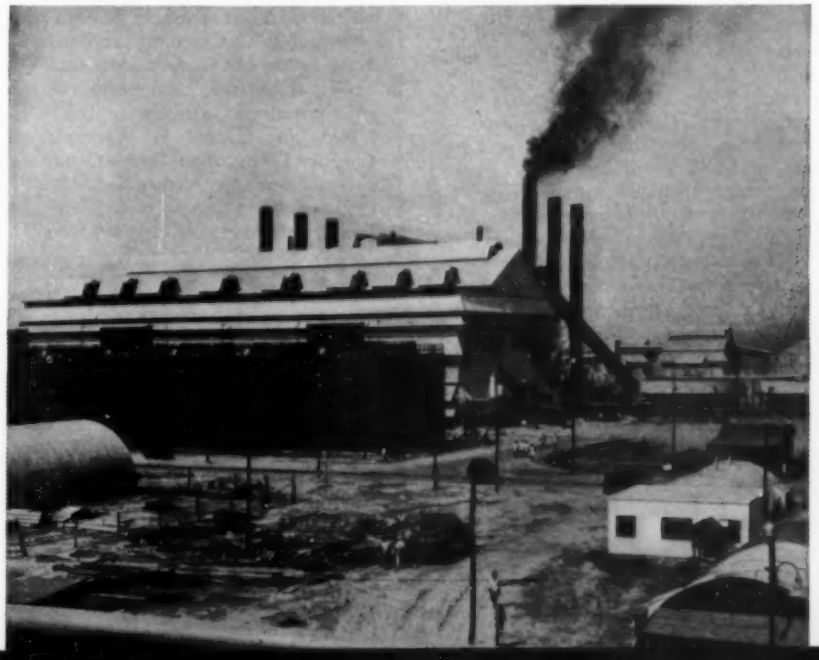
Fiscal 1967-68 witnessed a record growth of 8.9% in national income due to the sharp recovery of agriculture from the effects of two successive drought years. The further growth of national income by 3.5% during 1968-69 was likewise mainly due to agriculture. The prospect for the current fiscal year, provided rainfall is relatively favorable, is for another moderate increase, but with industry making a significantly greater contribution than in the recent past.

New plan published

In April 1969 the Government published the draft of the Fourth Five-Year Plan (1969-74). As presented to Parliament, the Plan calls for total five-year development expenditures of $32.5 billion, including $13.3 billion in the private sector. Levels of foreign aid assumed are $507 million for agricultural commodities under PL 480, all in the first two years, and gross non-agricultural assistance of $4.9 billion during the Plan period.

Proposed investments under the Plan include a total of approximately $7 billion for organized industry and mining to attain a hoped-for increase of 8 to 10% annual growth in industrial production. Of this, $2.9 billion is expected to be the investment of organized private industry. To achieve an annual growth rate of 5% in agricultural production, the total investment in agriculture and allied sectors is projected at $5.4 billion, including private investments of $2.4 billion. Another major area in which private participation is projected is transport and communications: $1.4 billion out of a total of $5.5 billion.

NEAR-RECORD AGRICULTURAL OUTPUT despite less than optimum rainfall during the 1968-69 crop year reflected the extensive use of fertilizer, pesticides and improved seed. Below, the Sindri fertilizer plant.



Sudan tries middle path

Aims to avoid excesses of some emerging nations in effort to cope with problems

The Sudan has all the usual problems of developing nations, compounded by extremely long lines of communication, vast deserts and near-desert, the closure of the Suez Canal, stagnant and troubled Southern Provinces, and declining foreign assistance.

The nation may be classified economically in a middle category of African nations, better off than many, yet with long term prospects still uncertain. This is the verdict of the annual Economic Trends Report from the U.S. Embassy in Khartoum.

The Sudan certainly has not wasted its substance in grandiose and impractical schemes, has not drastically over-committed itself with foreign debt, and has not decided that trade, industry and other economic enterprise should all be operated by government. It has exhibited an ability to listen and in considerable measure to carry out the recommendations of international financial institutions.

The University of Khartoum, one of the older universities in Africa, has helped create a substantial cadre of experienced professionals and administrators. The economic growth rate, while not phenomenal, keeps ahead of population increase. Its $100 per capita gross domestic product places the average Sudanese substantially ahead of the Kenyan or Ethiopian and indeed most Africans from the Sahara to South Africa.

Perhaps most important to the foreign businessman, the Sudan has a relatively stable and substantial foreign exchange income from its main crop, extra long-staple cotton. Export earnings have ranged from $100 to $150 million per year from cotton, and total exports are now over $200 million, or about $15 per person. Irrigated cotton acreage has more than doubled since independence in 1956. As long as world cotton prices hold up fairly well and there is no massive crop failure, the Sudanese economy can probably manage to keep on a fairly even keel.

Despite the lack of diplomatic relations between the United States and the Sudan, U.S. firm representatives and their local agents continue to operate actively and without limitation in the Sudan. The one exception is the locally franchised Coca Cola bottling plant which may be affected soon by the implementation of the Arab boycott. American firms participate freely in many government tenders and have won some contracts. The U.S. Government is represented by an Economic/Commercial Officer at the American Interests Section of the Royal Netherlands Embassy in downtown Khartoum.

The importance of the Sudan as a trade partner of the United States continues to decline in the absence of U.S. assistance programs and major investment and development projects requiring American equipment. Imports from the United States in 1968 ($5.2 million) were less than a third of the previous year. This was accounted for almost entirely by the fall in shipments of American wheat and flour, the main sources of supply having shifted to Australia and Europe. Although a small CCC line of credit is available to the Government for these products, no new contracts have been negotiated.

U.S. subsidiaries help

Main non-agricultural U.S. sales items to the Sudan continue to be transportation equipment, agricultural machinery, miscellaneous machinery, pharmaceuticals and insecticides, in large measure purchased on tender by government ministries and public agricultural corporations. In the above-mentioned categories, the volume of imports from U.S. subsidiaries in Europe probably equals direct sales. For example, Chrysler Corporation/Rootes Group recently signed a contract with the Government to finance over $7 million in vehicles to be supplied from U.K. factories.

In exports to the United States the Sudan also experienced a decline to the normal annual level of about $6-7 million. This big drop from the 1967 height of $13.2 million occurred because the unusually high demand for extra-long staple cotton did not continue last year. Prospects for increased exports to the United States beyond the normal volumes of gum arabic, hides and skins, and a little cotton appear doubtful.

Light consumer goods and consumer durables are supplied generally from the traditional suppliers, the United Kingdom (declining) and the EEC (growing), with many items supplied at bargain basement prices by East European countries, Mainland China, India and other Asian countries, in part under bilateral agreements. There has been an increasing flood of consumer goods which the Government of Sudan has been attempting with indifferent success to stem. If in fact a firm clamp were put on private imports for any length of time, it might redound to the advantage of U.S. suppliers.

More careful husbanding of foreign exchange would certainly shift imports to the more essential goods which dominate the U.S. sales and also permit the government more readily to allocate exchange for equipment needed for the government development program.

It is impossible to state categorically which factor is more crucial in limiting U.S. trade with the Sudan, price or credit terms. Clearly in many light consumer goods lines the basic price and shipping cost advantages of other suppliers are difficult for U.S. exporters to overcome, particularly when, under current tight conditions, buyers are generally looking for a bargain regardless of quality. To this is added the fact that very few U.S. exporters grant or arrange any credit to government or private Sudanese firms, even with established and reputable customers and agents.

If U.S. manufacturers are interested in the long-term market in the Sudan, they should look more carefully at what credit terms the representatives of competing firms from other countries offer, and consider whether they can assume similar risks.

There is growing dissatisfaction with low quality goods which the government has bought from countries with whom the Sudan has bilateral trade agreements. Ministry of Health pharmaceuticals purchased from Mainland China in 1967 and 1968 on a non-tender basis totaled several million dollars in value and were

found unsatisfactory by the medical profession. The Ministry has therefore once again published a large drug tender (estimated value, $5 million) on which European and American suppliers expect to bid successfully.

Recently the Public Agricultural Production Corporation has experienced severe parts and repair difficulties with its Russian-built harvesting machines and could shift to another source of supply in the future.

Aircraft sales likely

Aircraft offers one of the most likely areas for increased U.S. sales. Sudan Airways has been in the market for long-range replacement aircraft for its international routes. However, the operational and financial difficulties of the airline make long-term external financing and continuing heavy government subsidization necessary.

Light aircraft for crop-spraying as well as for local transportation in a country with such long and weak lines of land communications are certainly the wave of the future.

As yet none of the three public corporations which operate large agricultural schemes have any aircraft, though the Sudan Gezira Board has begun to consider purchasing planes.

The Ministries of Interior and Agriculture have only a few planes, the latter having purchased several recently for locust control purposes. A German firm is now demonstrating and giving training in the use of helicopters for insect, weaver bird, and water hyacinth control.

The establishment of new industries has lagged in recent years and the Shell Refinery, completed in 1967, is the last major foreign private investment. However, there has been a recent increase in the number of firms seriously investigating establishment of manufacturing or mining operations in the Sudan. Three American firms with Sudanese partners have taken out mineral licenses and are now carrying out intensive searches for potential deposits in and along the Red Sea and near Khartoum. So far as is known, exploitable quantities have not been located.

Searching for minerals

Australian and Canadian firms are searching the Red Sea hills for minerals and the U.N. also is carrying out a mineral survey project in several other areas.

Manufacturing or assembly operations under consideration by U.S. firms are in the fields of pharmaceuticals, building materials, air conditioners and refrigerators. The decision to assemble the latter two products in Khartoum has been made, encouraged by very high duties on the imported product. Aside from a British truck assembly plant in Port Sudan no other significant new private industrial projects are known to be under serious consideration.

Government factories, many of East European origin, have not been notably successful with the exception of the West German-built Khashm El Girba sugar plantation and mill. The Sudan has plans for additional publicly-owned sugar plants, a tannery and a fertilizer plant, but U.S. firms have been unwilling to offer the medium to long-term financing required by the government.

U.S. firms are most likely to benefit from current and new World Bank projects under which supervised, international tendering is mandatory. Several U.S. agricultural implement and earthmoving firms have made significant sales to the new Mechanized Farming Corp., have bid on World Bank-financed railway equipment and could find sales opportunities under the IDA Secondary Education Loan. However, the yet-to-be financed $140 million Rahad irrigation scheme could eventually offer the largest scope for sales of U.S. products.

Recent interest of the Kuwait Fund for Arab Economic Development in the financing of additional cotton gins in the Gezira Scheme will, if approved, probably also be contracted for by international tender.

Like many other nations in recent years, the Sudan has had a deteriorating foreign exchange position, which has been a major concern of the International Monetary Fund since the 1966 stabilization plan for the Sudan began, Running a persistent balance of payments deficit, the Sudan reached its lowest point in 1968, with an unfavorable current account balance of $67 million, and on current and capital account of $42 million. The most serious implication of the worsening deficit position is that it coincided with the best cotton export year on record. Cotton accounted for 60% of total exports last year as the Government drew down on large stocks that had accumulated during the past few years.

Prospects are favorable for an excellent cotton year (up 12%) in the crop just now being harvested, and continued high prices indicating a repetition of last year's excellent export performance.

The Government's inability to improve its reserve holdings is due to a combination of a low level of foreign assistance and a record increase in private imports, from $180 to $220 million last year. As the President of the Sudan Chamber of Commerce recently pointed out, it is well-known that imports are concentrated in consumer rather than capital goods—textiles alone at $52 million are almost 25% of all imports and equal to total imports of machines, tools and metals.

Try to curb imports

For more than a year the government has been attempting to stem the flood of imports with a variety of measures limiting bank credit, increasing duties and announced restrictions on import license issuance for consumer goods. However, due in part to loose implementation of these measures, excessive issuance of licenses in the past, and over-stocking, the effects of

SUDAN'S ECONOMY SHOULD REMAIN ON AN EVEN KEEL as long as world prices for its leading export crop, extra long staple cotton, remain high. Below, cotton being examined before shipment abroad.

the restrictions have been limited and so far hardly noticed in the market. A recent IMF mission reportedly urged even tighter restrictions on consumer imports, and banks have just been ordered to stop financing a long list of luxury imports.

New five-year plan

Although the Sudan's first Ten-Year Plan has two years to run, the government has decided to take a new look at development potential, resources and priorities. A new draft Five-Year Public Sector Plan has just been completed. Reportedly, development spending is forecast at an annual average of between $75 and $85 million, slightly above spending in the last two years. Agriculture and infrastructure continue to receive the main emphasis and the plan provides for beginning construction of the $140 million Rahad Irrigation Scheme, Phase III of the Rosieres multipurpose dam project. The plan assumes that when the World Bank has completed its studies on Rahad, the Bank and bilateral donors will produce a loan package of some $80 million.

However, the financing of Rahad only highlights a problem which the Government faces with most development projects—the drying-up of foreign aid. U.S. assistance was discontinued due to the Sudan's break in diplomatic relations in June 1967, and British and West German assistance have lagged, in part for the same reason.

NEW RAILWAY EQUIPMENT should help end the backlog in commercial traffic between Port Sudan, the nation's only outlet to the sea, and the capital city of Khartoum. Below, a ship unloads its cargo at Port Sudan. (World Bank Photo)

World Bank loans for the railroad and more recently for electrification of the Rosieres Dam, secondary education, and mechanized agriculture schemes and Italian financing of capital goods imports and a new Blue Nile bridge in Khartoum account for most foreign assistance.

Cash loans from friendly Arab States have tapered off and East European-financed projects are moving very slowly. Income from foreign grants and loans has declined from $48 million in 1966 to $18 million in 1968, and to less than $3 million in the last half of last year.

The government's external debt service ratio is a relatively low 10%, but is expected to rise to nearly 14% in several years.

Shortage of funds

The lack of foreign exchange is not the only major limitation on development. In fact, foreign donors have held back in part because of a parallel shortage of sufficient internal savings to pay local currency costs. While precise figures are not available on either private or public savings, the level is not impressive. There is a perennial shortage of funds for recurrent government expenditures, and development projects typically spend only about half of budgeted funds.

The past year has seen a number of government actions which have had far-reaching implications, and some have discouraged private interests and worried many observers. A public employees wage increase costing $35 million or more broke the budgetary restraint of the last several years and has had to be paid for by drastic increases in almost all kinds of direct and indirect taxes.

Import duties on many luxuries went up by from 25 to 50%. This together with the private wage increases that followed, has had the inevitable inflationary effect. Government borrowing from the Bank of Sudan is running $9 to $11 million above early 1968.

A long-planned public takeover of private irrigated cotton schemes, followed by monopolization of trade in coffee, tea and salt and the passage of a law providing for the eventual Sudanization of the foreign commercial banks, have all had unsettling effects on various private parts of the economy. This is especially true because the promised compensation of former owners, although still under discussion, has not been provided.

Perhaps a more serious threat to the future of private industry, both local and foreign-owned, is the failure thus far of the government to formulate and follow a consistent policy on incentives and protection, despite the clear intentions of the 1968 Promotion of Industrial Investment Law. For years the largest private industry, cotton textiles, has not been adequately protected from dumping of grey goods from UAR and Asian looms and the two mills only intermittently run at capacity.

At present, the two major shoe factories, one foreign-owned, are partially shut down waiting for the Government to make a clear-cut decision on shoe import quotas. The conflicting policy objectives of the Ministry of Commerce, which issues import licenses, and the Ministry of Industry, which attempts to foster industry, have not yet been resolved. In this as in many areas it is not so much that the Government is hostile to private business as that it sometimes does not sufficiently coordinate its actions affecting the private sector to enable it to speak with the one voice businessmen would find more reassuring.

Railways improve

The railway, a crucial element in the economy, clearly is running more effectively now than a year ago though the real test will come during the summer peak-load season. By fall, a number of new locomotives and wagons will begin to arrive and should help reduce the backlog and alleviate the often months-long delays in moving goods from Port Sudan to Khartoum.

Foreign experts surveying the railroad operation have pointed to persistent weaknesses in maintenance and in efficient marshaling of equipment. The railway's most singular failure last year was its inability to ship several hundred thousand tons of surplus grain sorghum to port for export.

Trucking has increased rapidly and one possible resolution of the transportation difficulty would be the construction of a highway from Port Sudan to Khartoum. The Italian Government recently agreed to finance a road survey.

Best sales openings

Key development areas for U.S. firms to watch both for sales and investment opportunities are the livestock and meat industry, and rain-land mechanized farming. The Sudan Government is still in the early stages of policy formulation and long-term planning in both. But special American know-how and equipment should give particular opportunity for participation as suppliers, managers or promoters in these fields.

CONSTRUCTION ACTIVITY WAS INTENSE in Panama throughout 1968 and the beginning of 1969. Above, a right of way being cleared for a new section of the Inter-American Highway.

Panama loses economic buoyancy but businessmen are increasingly optimistic about long-term outlook

U.S. remains major trading partner, but competition grows; tight world money and U.S. dock strike heightened difficulties

Scarcely more than a year ago Panama's economy was described in superlatives such as "booming" and "extremely rapid growth." At the end of the first quarter of 1969, however, the economy obviously has not yet recovered the buoyancy which characterized the years prior to 1968, according to the semi-annual Economic Trends Report from the U.S. Embassy in Panama City.

While there were indications of an upturn in March—and increasing optimism—many observers still maintain that Panama has not yet fully recovered from the adverse effects of the political events of 1968. Two external factors—the U.S. shipping strike and the tightness of funds in world money markets—undoubtedly also have contributed to Panama's difficulties.

On the other hand, there is little pessimism locally for the longer run outlook. There has been no change in basic stabilizing factors such as the dollar-based monetary system and an awareness of the benefits stemming from the Panama Canal.

Moreover, the public has shown a high degree of sophistication and the economy has been resilient in recovering from the immediate impact of the more severe political crises. GNP growth continued at a fairly substantial rate during 1968 despite political problems.

The United States traditionally has been Panama's major trading partner, purchasing some 75% of the nation's annual commodity exports and selling a wide range of products to it. While there are no indications of a deterioration in trading relationships, competition from other suppliers, particularly Japan, is growing.

The Provisional Government which took power on Oct. 11 has devoted considerable energy to problems of governmental reform and to drafting programs for economic recovery and growth. At the same time officials have re-affirmed traditional policies favorable to private enterprise and foreign investment. Commenting on the government's programs and the outlook for the future, the report of the February meeting of the sub-committee on Panama of the Inter-American Committee of the Alliance for Progress (CIAP), concluded that prospects for resuming and maintaining a high rate of economic growth for Panama were good.

Substantial growth

Preliminary indicators suggest fairly substantial growth in 1968, leading the CIAP Sub-Committee to observe that in spite of political events over the past fifteen months, economic development continued in Panama at an accelerated pace; although growth was somewhat less vigorous than in the past few years. According to estimates carried in the local press but attributed to official sources, real domestic product growth of about 5.3% was achieved during the year, with manufacturing leading with 7.7% and even agriculture exceeding the overall average with a 5.9% increase.

Reportedly, there has been an upward shift in price levels over the last two years. Nevertheless, Panama might well succeed in maintaining its recently acquired third place in Latin America, behind Venezuela and Argentina, in per capita real GNP (estimated at $568 in real terms in 1967).

Concerning Panama's balance of payments, final data will probably show only a small rise in the deficit on goods and services account for 1968. This deficit was $35 million in 1967. Incomplete data indicated a continued rise in commodity exports for the year, particularly banana exports. A continued rise in gross earnings accruing to Panama from the Canal Zone during 1968, about $129 million in 1967, probably also took place.

Construction activity for the most part was intense during 1968 and the first month of 1969. Municipal permits valued at $26.6 million were issued for Panama City during 1968, a record high.

Early in 1969, an official of the Provisional Government announced that a Central Government Ordinary Budget deficit for 1968 in the neighborhood of $8 million might be indicated. Reportedly, however, final data will show a smaller deficit of about $6.7 million. Expenditure was held considerably below the $130 million

level authorized, lending credence to the view that a positive effort was made toward economy of governmental operations during the latter half of the year.

For the current year, an ordinary budget at the $130 million level has again been approved. Even with very tight time limitations, the new budget appeared to have been drafted with care, and officials maintain that it is realistic regarding revenue capabilities. About 9% growth in total ordinary revenue collections will be required for a balanced budget in 1969. On the basis of preliminary data for the first quarter, collections were approximately 14% above a similar period in 1969, and reportedly above budget projections.

Approximately 40% of the new budget relates to education, health and welfare, while 17% is devoted to service of the Central Government's public debt. At $22.2 million, the debt service allotment was some $4.3 million above that for last year.

Fiscal measures passed

Two measures approved during the first quarter of 1969 should bring more order to the government's fiscal affairs. The first and probably more important was the creation of a new short-term government security, a form of Treasury Bill similar to those used in the United States, for sale through the banking system. Proceeds from issues are to be used to pay commercial accounts of the Central Government on a current basis. Lags in payments of these accounts have been a recurring problem. The plan entails selling the interest-bearing bills during slack revenue periods and redeeming them during peak collection periods. The bills may be held by banks as part of their reserve requirement.

The second measure was an authorization of conversion bonds for issuance to the Social Security Institute for the purpose of paying past due, but unbudgeted, legal obligations to that Institute. Essentially an internal, governmental bookkeeping operation, the measure will shift such debt out of the floating debt category into funded debt, with provision for orderly payment of interest and amortization in future budgets.

For the 1969-72 period, the Provisional Government has projected net public investment of more than $300 million, rising from $69.1 million for the present year to $87.2 in 1972. The plan will require external financing for somewhat less than half the total. According to official sources, disbursements from foreign assistance loans during 1969 of some $23 million are already assured.

The plan calls for fairly heavy initial emphasis on projects involving road and airport construction and public buildings, but with increasing amounts devoted to electrification, tourism, industry and commerce as the first-mentioned categories decline in relative importance.

In terms of development strategy, the Government has assigned high priority to stimulating tourism and to developing the Tocumen International Airport and a related industrial area. Priority will also be given to improving the Colon Free Zone and initiating the long-dormant power-development program of the Instituto de Recursos Hidraulicos Electricos (IRHE), the autonomous agency which produces electric power. This includes the Bayano River hydroelectric project.

Total cost of the program through 1975 is estimated at $75 million; external financing, in the amount of $30-40 million, is being sought from the World Bank. The Bayano project will be designed to produce 150,000 kilowatts and will, it is expected, be completed by 1974.

Panama's credit market remains tight, with bankers selective in their loan policies. In a move to facilitate industrial credit, however, the government raised the ceiling on interest rates on industrial loans to 9% in March. The question of raising the interest rates on other types of bank loans continues to be discussed in the press, and there are indications that the present 7% ceiling is considered unrealistically low.

The Government has also announced that it is studying, with the assistance of experts from the International Monetary Fund and in coordination with the Panamanian Bankers' Association, revision of basic banking legislation. One aim of the new legislation would be to encourage the further development of Panama as an international banking center.

While there undoubtedly has been some postponement of investment decisions by small and medium investors over the past twelve months or so, there has been no lessening of interest in larger investment possibilities, and the larger corporate enterprises appear to be continuing their longer-term expansion plans without interruption. The Provisional Government recently announced that 38 mining companies have indicated an interest in exploiting recent copper discoveries, and the press continues to highlight interest in new hotel construction, particularly a proposed $35 million expansion of the El Panama Hotel.

Moreover, an announcement was made that work would probably begin during 1969 on a $35 million petrochemical plant adjacent to the refinery near Colon.

The Provisional Government also has announced that it is studying the present customs schedules, with a view to undertaking a possible tariff revision. It is also considering modifications of the existing incentives for industrial expansion.

Best sales prospects

Best possibilities in the near-run for sales of specific U.S. products are: woven synthetic fabrics, piston engines—non-air, air-conditioning machinery, lifting and loading machinery, electric power machinery, trucks, tractors for trailers and women's outerwear—non-knit.

Particularly attractive opportunities for foreign investment may be found in fields related to tourism and international transport, as well as in agro-industrial development.

Third Pennsylvania trade mission leaves soon for S. America

Spurred by the positive results of two earlier Pennsylvania trade missions abroad, the Commonwealth has organized another—this one to leave shortly for South America.

Governor Raymond P. Shafer expects to lead the new mission, Pennsylvania's first to the South. The others have sought markets in Europe and the Far East.

Specializing in various kinds of instrumentation and equipment, the mission members will be carrying a wide range of business proposals for consideration of firms in Venezuela, Brazil, and Argentina.

Companies represented manufacture and market equipment ranging from safety instrumentation and precision metal stampings for the electric and electronic industries to balancing and testing machines, food and beverage dispensers, coronary intensive care units, and steel ball machinery.

The industry-organized Government-approved mission is scheduled to be in Caracas May 21-24, Rio de Janeiro May 25-27, Sao Paulo May 28-June 1, and Buenos Aires June 1-4. Several Pennsylvania Department of Commerce officials will accompany the mission.

Morocco, Tunisia agree to partial association with EEC

Market's 20% tariff on citrus cut to 4% for African nations

The Governments of Morocco and Tunisia have signed five-year partial association agreements with a visiting delegation from the European Economic Community (EEC). Both agreements provide for only partial association because they contain no provisions for Community development aid, free movement of workers and capital, a common agricultural policy, or other common policies necessary for full association.

These agreements do provide, however, for intra-community customs treatment for Moroccan and Tunisian industrial products except those covered by the European Coal and Steel Community treaty. Crude petroleum and natural gas are also accorded duty-free and quota-free entry; however, for imports of petroleum products there are some safeguards. The EEC's common external tariff of 20% on citrus fruits is lowered to 4% for those originating in Morocco and Tunisia. Olive oil from these two countries will enjoy a $5 per quintal preference as against imports from third countries. The EEC accords either intra-community treatment or a 50% tariff reduction for some canned foodstuffs. Tariff preference within overall quantitative limits is granted by most members of the EEC on a bilateral basis to canned fish.

The Moroccan concessions include tariff reductions averaging 12% on 27 customs categories. These reductions are granted on a most-favored-nation basis and are hence applicable to imports from all countries. In addition, Morocco agreed to grant the EEC reserved quotas for many commodities on which Morocco still maintains import quota restrictions. The EEC quota is equal to its average total imports of that item over a base period.

Tunisia agreed to grant to all the EEC member states tariff reductions equivalent to 70% of preferences now granted to France to take effect over a three-year period for certain products which now make up about 40% of EEC exports to Tunisia. Tunisia will continue existing quantitative quotas on products representing about 60% of EEC exports and open new quotas on products representing about 11% of these exports.

Both agreements permit Morocco and Tunisia to protect their infant industries and to withdraw concessions on balance-of-payments grounds.

The agreements will go into effect as soon as ratification procedures have been completed. They permit negotiations to start for a broader association before the end of three years.

Korean official agencies to import $231 million in '69

Figure represents 13% of nation's projected foreign purchases

Procurement requirements of the Korean Government for foreign supplies and related services have been estimated at $231 million for 1969. These requirements, which represent over 13% of total imports projected at $1,716 million for 1969, were announced by the Korean Office of Supply (OSROK), the procurement agency of the Korean Government and the largest single importer in Korea.

Semi-public enterprises will absorb 55% of the required OSROK procurement and public agencies will consume the remainder. While a significant portion of these planned purchases will be financed with U.S. economic assistance funds and Japanese claim settlement funds, which limit procurement to these two countries, 65% will be open to worldwide procurement financed with Korean Government-owned foreign exchange (KFX).

The principal government consumers of imported products are the Ministry of Agriculture and Forestry which will import fertilizer, farm machinery and power generating equipment; the Ministry of Communications, a major consumer of tin ingot, cable and wire, measuring and testing instruments, power generating equipment, and various types of communications equipment; and the Ministry of National Construction which will import steel sheet and plate and construction machinery and parts. Supplies and services valued at approximately $62 million will be required to meet the import needs of these three organizations.

The Korea Oil Corp., a semi-public enterprise, will require imports estimated at $95 million, primarily for petroleum, during 1969. Three other semi-public enterprises place their import needs at $17 million. These are the Chungju Fertilizer Co., a significant importer of electrical equipment, insulating materials, metallic materials and laboratory equipment; Korea Electric Co., a major importer of electrical equipment, safety equipment and measuring and testing equipment; and the Korea Government Printing Agency which requires imports of pulp, temperature control equipment and paper processing machinery.

For details on procurement plans, interested suppliers should communicate directly with the purchasing Ministry or the Office of Supply, Republic of Korea (OSROK), Seoul, Korea.

Taiwan sets import quotas for 13 bulk commodities

Under a regulation recently issued by Taiwan's Ministry of Economic Affairs, thirteen bulk commodities that Taiwan imports in amounts exceeding 40,000 metric tons per year will henceforth be imported under annual quota limitations. The new regulation, which went into effect Apr. 15, not only stipulates the total volume of these commodities that may be imported, but also specifies the volume by port of entry and by purchaser under a schedule that lists authorizations by month through 1969.

The commodities covered by the quotas, totaling some 3.5 million metric tons, are: soybeans, wheat, corn, raw cotton, ammonium sulphate, potassium chloride, potassium sulphate, sulphur, aluminum ores, phosphate ores, iron ores, natural gypsum and plaster, and logs. The nonagricultural items are those presently confined to government procurement, and the designated volume corresponds to the budgeted amount of such purchases.

The Ministry announced that the principal purpose of spacing bulk cargo entry under the new regulation is to alleviate port congestion, along with inland shipping and warehousing problems.

AID accepting applications for guaranties to insure Latin housing investments

Applications sought for Argentina, Barbados, Colombia, Ecuador; all risks on projects for low and lower-medium income families covered

The Agency for International Development has announced that it will again accept applications for AID guaranties to insure new U.S. investments under the Alliance for Progress in housing projects for Latin America.

The first countries for which applications will be received, beginning in September, are Argentina, Barbados, Colombia and Ecuador.

The AID guaranties insure 100% of U.S. investors' loans for approved housing projects against all risks. To be eligible for protection under the AID guaranty program, the housing projects must be for dwellings to be occupied by low and lower-medium income families. The investor is charged a fee for the guaranty, and the home owner also pays an insurance fee to AID.

Financing for 85 projects

To date, the program has authorized guaranties which will enable private U.S. investors to finance 85 projects for the construction of more than 65,500 dwelling units valued at about $300 million in Latin America. Contracts have been signed for 35 of the projects valued at more than $176 million.

Dates for filing applications for projects in the respective four countries, and the tentative amount to be allocated for each country, are: Barbados, Sept. 1-15, $3 million; Argentina, Oct. 1-15, $6 million; Colombia, Nov. 1-15, $6 million; and Ecuador, Dec. 1-15, $3 million.

Application dates for housing project guaranties in other Latin American countries will be announced later.

Applications should be submitted to the AID mission, U.S. Embassy or U.S. Consulate in the country of the intended investment. Application forms and additional information may be obtained at the AID mission or from the Housing and Urban Development Division, Bureau for Latin America, Agency for International Development, Washington, D.C. 20523. Applications for AID guaranties will not be accepted in Washington.

The housing investment guaranty program is authorized by the Foreign Assistance Act as an integral part of the Alliance for Progress. Special consideration is given to projects which help to promote improvements in home building and financing. Since applications usually exceed the amount of AID's guaranty authority, they are considered competitively.

Reopening of the guaranty program to new applications follows approval last year by the President's Committee on the Balance of Payments of additional guaranty-issuance authority during fiscal 1970. The additional authorization of $50 million by Congress last year for these housing guaranties brought the total current authorization to $550 million.

Eximbank relending credit to Pakistan finances U.S. goods

$2.5 million loaned to Industrial Development Bank of Pakistan

A $2.5 million relending credit has been authorized by the Export-Import Bank to the Industrial Development Bank of Pakistan (IDBP) to help sell U.S. goods and services. The Pakistan bank will relend the proceeds of the loan to private Pakistani firms to finance purchases of American equipment for medium scale industries.

Relending credits of $2.5 million each were authorized in favor of IDBP by Eximbank in 1963 and again in 1966. Under these two loans 44 subloans were extended to finance sales of 36 different U.S. firms in 15 states. They financed purchases of oil seed extraction, textile, food processing and cold storage machinery, in addition to equipment for the manufacture of chemicals, pharmaceuticals, and other industries. IDBP estimates that the U.S. equipment financed by these loans will create some 6,300 new jobs and foreign exchange earnings equivalent to $9 million annually.

The new $2.5 million loan, to be repaid in 14 semiannual installments with interest on outstanding balances at an annual rate of 6%, will be guaranteed by the Government of Pakistan.

As in the earlier loans, individual subloans under this credit will be limited to a maximum of $500,000 to any single enterprise and allocation exceeding $150,000 will require Eximbank approval. For each purchase financed through the relending credit, 10% cash payment will be required.

N.J. trader fined $1,200 for export violations

Civil penalties totaling $1,200 have been paid by Clifford J. Schafer, of Waldwick, N.J., for violations of the Export Control Act. The U.S. Department of Commerce reported that the violations were committed between 1965 and 1967 while Schafer was in charge of export operations for two New York firms.

The Department's Bureau of International Commerce (BIC) said Schafer, while employed by one firm, exported certain electronic items to a consignee in India without obtaining the necessary export license, and denied making the exportation.

Violations by Schafer while employed by the second firm included signing export documents without proper authorization, failing to declare certain commodities that were exported, improperly representing that certain items offered for export did not require validated export licenses, and effecting exportations before the necessary licenses were issued.

At a hearing on the charges, Schafer admitted the violations and, with respect to some, acknowledged carelessness. He said he was under pressure from his employers to expedite the exportations and did not personally profit from any of the violations.

BIC said there was no compromise of national security in any of the violations. BIC accepted payment of the penalty in lieu of imposing a more severe sanction that would have prohibited Schafer from participating in export transactions.

U.S. licensees wanted to manufacture various products of foreign companies

Offers include bed cushions, motors, bearings, floor/wall coverings, adhesives, burners, cleaning devices, building method, other items

Manufacturers in England, Denmark, France, Germany and a group of Israeli-Argentine architects are seeking U.S. licensees to produce and distribute their products and building method for the U.S. markets. Products offered are special bed cushions, hydraulic motors, plain bearings, synthetic resin floor and wall coverings, hydraulically controlled equipment, adhesives, oil and gas burners, household cleaning device, transmission unit, and a radically new building method.

For additional information and the name and address of the firm write the Office of International Investment, code 874, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230, referring to the appropriate File number assigned each opportunity listed below.

• A French manufacturer is seeking a U.S. licensee to produce its hydraulic motors which are specially designed for numerical control and copying machine tools.

These motors, which are of two basic types, can absorb substantial radial and axial loads and no bearing or reduction gear is required. The torque is transmissible in both directions of rotation, and the motors, which are completely sealed and self-lubricated, require no maintenance. **File 1749.**

• A Danish drug and chemical company is offering to a U.S. licensee its patented bed cushions which are especially useful in geriatrics.

These cushions, filled with polystyrene globules measuring ½ to 2 in. in diameter are non-absorbent, and will keep their shape even under prolonged pressure. The cushions mold themselves to the shape of the patient's body because the globules move freely inside the cushion cover. The pads are sterile at the time of manufacture and offer no possibility for germ or other micro-organism growths. Because of the globular nature of the filling, there will always be air-filled interstices in the cushions.

The Danish firm states that a U.S. patent has been granted and will be issued in the near future. Currently, the cushion is being manufactured in Denmark and Belgium.

The firm is seeking a royalty arrangement with an American manufacturer, but is also willing to consider a lump sum payment for all rights in connection with the utilization of its patent. **File 1750.**

• A German manufacturer is seeking a U.S. licensee to produce its highly developed plain-bearings (sleeve-bearings).

This German firm, after many years of research, has developed and standardized the plain-bearing to a degree that is not found in the United States, and they plan to introduce it here through one or more local manufacturers.

According to the German company, the standardization of the plain-bearing has met with great success, mainly as a result of reduced manufacturing costs and the increased life of the bearing to over 200,000 operating hours. The company sells almost 100 million plain-bearings a year to the automobile industry alone.

The company offers: (1) standardization of over 5,000 different sizes of sleeve-bearings ranging from 2″ to 28″, and weighing from 4 oz. to 8 tons, for all applications in general engineering; and (2) all information and advice for the immediate production of machines, equipment, workshop know-how, material to use, and other assistance. **File 1751.**

• A West German company is seeking a U.S. licensee to produce its oil, gas and dual burners.

The oil burners, which are fully automatic nozzle pressure atomizers, are of various sizes and capacities for household and industrial heating. The casing of the burners is swingable to simplify installation and servicing.

The gas burners correspond in capacity and range of application to the oil burners, and like the oil burners have easily accessible switchboards.

The dual burners are two stages for use when consumers switch over to liquid fuel during gas peak demand periods. The switch over from one type of fuel to the other is affected either by the actuation of a switch or is fully automatic. **File 1752.**

• A British engineering firm is seeking a U.S. plastic component manufacturer and distributor to produce its cleaning device.

The device, which can be used on all makes of vacuum cleaners in the U.S. and South America, is capable of cleaning carpet pile without wetting the web, thus preventing shrinkage or fading. The device can also be used for cleaning upholstery, floors, windows and drains. The firm indicates the production cost of the attachment is low. **File 1753.**

• A French inventor wants to sell his patent rights to a transmission unit to be used with tractors and lifting devices.

This transmission unit, which can be portable when connected to a suitable drive unit or can be adapted to agricultural and foresting machinery, is useful in clearing brushwood and stones, and in fire fighting. **File 1754.**

• Israeli-Argentine architects are offering U.S. firms engaged in housing development projects a radically new design for suburban housing resulting from their seven-year research on the subject.

Their design produces a unique system fitting the serial production of both low and high rise housing units without retriction in the choice of materials and building methods.

The architects claim that they have developed an extremely simplified imbrication of units comprising the 1-2-3-4-5- and 6 room apartments derived from an original access system at each floor whose major advantage, compared with conventional design, consists in reducing by 50 percent the number of the usual central core units and areas. **File 1755.**

• A German chemical firm seeks a U.S. licensee to produce and distribute its vinyl material for covering floors and walls.

Unlike the square floor and wall tile, this particular vinyl material is applied either as a liquid or paste. The material used for covering floors is a paste, and a trowel or similar instrument is used for the spreading and smoothing process. The wall coating is a liquid material which can be applied with a spray or roller.

The advantages of this material appear to lie in the ability to lay a floor covering evenly over uneven surfaces; entails no cutting or breaking of tiles to fit the room design and size, or to accommodate corners. The material, which can be ap-

plied to cement, asphalt, metal, glass or wood, is heat resistant, water repellent, resists spiked heels, and, of course, constitutes a jointless floor covering.

The firm claims many successful applications of this material in industrial and commercial buildings, and in homes. The production of the product has been licensed in over 40 countries. **File 1463-R.**

• A French company is seeking a licensee to manufacture its hydraulically-controlled equipment in the U.S.

The equipment consists of hydro-mechanical transmissions for hydraulic motors, pumps, electro-pumps and electro-valves, as well as hydro-valves and a newly developed high performance pump with gears. **File 1621-R.**

• A leading German manufacturer of glues and adhesives, specifically developed for use in the wood processing and the furniture industries, seeks a licensee or joint venture partner in the United States.

The company's products include more than 100 different types of thermoplastic emulsion adhesives, mainly on the basis of PVA (polyvinylacetate), hot-melt adhesives, and solvent based adhesives. All of these have been tailor-made to specific uses in close cooperation with the manufacturers of modern wood processing equipment.

Special features are short setting times and very short pressing periods. The patter may be as low as 2½ minutes for use in continuous body presses, 40 seconds in short-tact presses, and 10 seconds in high-frequency bonding equipment. Several of these adhesives are suited especially for the bonding of plastic laminates to particle or chip boards, continuous edge veneering, and the assembly of cabinets for radio and TV receivers.

These products which are being exported to approximately 100 countries are also used widely in the European and Scandinavian countries. In addition, the adhesives are being manufactured under license in several European countries, two South American countries, and South Africa.

The company offers its know-how in regard to production, distribution, and the technical servicing of customers. **File 1498-R.**

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. "P" numbers should be used when writing about specific proposals.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

Swiss manufacturer wants U.S. licenses

Switzerland's leading manufacturer of water meters and similar measuring instruments seeks to diversify its production by concluding licensing arrangements with U.S. manufacturers.

The firm would consider manufacturing under license any U.S. product in the water metering, heating or plumbing sectors for distribution through its present sales organization in Switzerland and other European countries.

They would also consider licensing proposals for products which could be manufactured by present facilities, including engine lathes, drills, mills, cutters, grinders, automatic revolving machine tools, eccentric presses and plastic injection machinery. The company maintains its own tooling department for injection moulds and offers considerable engineering experience in the water and fluid meters industry.

Annual sales for the firm are reported at $4.6 million and it employs 300 persons. A director of the firm plans to visit the United States during June.

Write: Aquametro AG, Murbacherstrasse 34, 4000 Basel 13, Switzerland. WTD. Additional information on this opportunity is available from the Office of International Investments. **P-69582.**

Australian desires buyer for meat processing plant

An Australian firm is seeking a purchaser for a modern abattoir and meat processing plant which it currently operates. The facility, approved by U.S. Department of Agriculture inspectors, is located at Kyneton, Victoria. The meat packing operation is a part of a diversified manufacturing and shipping company.

Firms desiring additional information regarding this opportunity should **write:** G. S. Oakley, gen. mgr. Wheelock Marden & Co. (Australia) Ltd., 4th Floor, 2 O'Connell St., Sydney, New South Wales 2000, Australia. WTD **P-69466.**

British firms seek to expand activities

Three British firms are interested in licensing arrangements with U.S. companies to produce items related to their specific fields.

• A Cheshire based firm seeks a licensing agreement with a U.S. firm for the manufacture of air cooled, oil cooled and pyroclor filled transformers and associated equipment.

The British company maintains its own sales organization and reports long-established contacts in all areas of U.K. industry. Founded in 1967, the firm currently employs 400 persons.

Write: L. J. Kent, special projects manager, Distribution Transformers Ltd., Evelyn House, Alderley Rd., Wilmslow, Cheshire, England. WTD. **P-69580.**

• Licenses for vulcanized rubber products with or without metal and fabric inserts are sought by an English rubber manufacturer specializing in flooring, footwear, mats of all kinds, sponge rubber and mechanical moldings.

The British company, founded in 1946, employs 100 persons.

Write: Morris Rubber Industries Ltd., Greyhound Works, Royston Rd., Byfleet, Surrey, England. WTD. **P-69583.**

• A British electronics designing firm seeks licensing arrangements with U.S. companies for the manufacture of electronic equipment and particularly custom built digital control equipment. The company also offers service for commercial and industrial control and peripheral equipment.

Write: Mr. Robert W. Marr, Gen. Mgr., Sneath (Electronics) Ltd., Solebay St., London, E.1. WTD **P-69585.**

World Trade Opportunities

India lists tenders for microwave systems

The Indian Posts and Telegraphs Department, Office of the Director General has issued the following Tenders for microwave systems and components.

Tender No. 162-4/69-TPL (CP)—supply and installation of microwave system components. Bid deadline is June 23.

Bid should offer antennae, wave guides and pressurization equipment for microwave links in the Giga Hertz frequency band for installation in various routes in India. Purchase is likely to be financed under EXIM Line of Credit and as such, equipment to be supplied must be of U.S. manufacture or origin.

Copies of tender announcement and specifications are available only from the Indian office on this tender.

Tender No. 162-2/69-TPL (CP)—supply and installation of equipment for wide band microwave systems.

Bid deadline is July 25.

These systems are required for various routes in India covering roughly 5,125 Kms.

Copies of tender announcement and specifications are available from the Assistant Chief Engineer (CP), P & T Directorate, Parliament Street, New Delhi 1, India.

One copy of this tender is also available on a short term loan basis to firms located in the U.S. from Communications and Electronics Division, BDSA-643, Room 4029, U.S. Department of Commerce, Washington, D.C. 20230. (Telephone: 202-967-2328).

Colombia to construct administrative center

The Colombian Institute of Agrarian Reform seeks bids on the construction of the Administrative Center of Bolivar Project No. 1, located near San Onofre. The budget for the project is estimated at 2,675,800 Colombian pesos (approx. $154,671) and will be partially financed with funds provided by the International Bank for Reconstruction and Development.

The tender includes the following works: sewers, 600 lineal meters; water-supply, 700 lineal meters; roads for vehicles, 2,000 sq. m.; roads for pedestrians, 100 sq. m.; flag square and housing terrace, 420 sq. m.; ornamental lake, 384 sq. m.; casino (restaurant), 449 sq. m.; small houses (2) for watchmen, 40 sq. m.; infirmary, 108 sq. m.; garages, 280 sq. m.; offices, 315 sq. m.; housing for auxiliary personnel, 280 sq. m.; two housing units for professional personnel, 770 sq. m.; vehicle repair shop, 315 sq. m.

Bid deadline is May 26.

Firms may obtain specifications (800 Colombian pesos for the first copy and 250 Colombian pesos for each additional copy) and registration information from the Instituto de la Reforma Agraria, Centro Administrativo Nacional, Via Eldorado, Bogota, Colombia.

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

011 Field crop farms

NETHERLANDS—Grains, all kinds. Mansvelt N.V. (importer, exporter, wholesaler, commission merchant), 138 Oostzeedijk, Rotterdam-16. WTD 4/69.

203 Canning, preserving food

JAMAICA—Approximately 120,000 lb. light colored raisins, crown grade 4 and 5; 30,000 lb. currants, crown grade 4; 50,000 lb. prunes, 90 to 100 and 100-120 count. Hand Arnold (Ja) Ltd. (manufacturers' representative), 154 Marcus Garvey Drive, Box 57, Kingston 11, Jamaica. Attention: Andrew Hanson. WTD 1/69.

204 Grain mill products

NETHERLANDS—Animal feeds, oil cakes, similar products. Mansvelt N.V. (importer, exporter, wholesaler, commission merchant), 138 Oostzeedijk, Rotterdam-16. WTD 4/69.

262 Paper mills, products

AUSTRIA—Lithograph art paper, approximately 500 metric tons annually. Requests replies in German. Walter Dibl Ges.m.b.H. & Co. K.G. (importer, wholesaler, exporter), Weyprechtgasse 6/7a, A-1160 Vienna. WTD 4/69.

● **IRAN**—Iranian Tobacco Co. requires 40 million cigarette paper booklets, each containing 60 sheets of 100% white, chiffon paper.

Sheet dimensions to be 40 x 70 mm. and substance to be 19-20 grams/m². Bid deadline July 12. Copies of tender announcement with specifications and conditions are available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone. 202-967-3003).

263 Paperboard mills, products

GERMANY—Kraftliner. Wellpappe Wiesloch GmbH & Co. KG (manufacturer, exporter), 6908 Wiesloch, Ringstrasse 17-21. WTD 12/68.

● **IRAN**—300 tons of duplex and 300 tons triplex cardboard in bobbins. Duplex cardboard to be glazed on one side and triplex cardboard to be glazed on both sides. Both types to have a bobbin width of 470 mm. and each bobbin to weigh 200-250 kgs. Substance to be 425 grams/m² + 10-20 grams and thickness to be 0.58-0.62 mm. Bid deadline July 14. Copies of tender announcement with specifications and conditions are available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3003).

264 Converted paper, paperboard products

CANADA—Decorative wallpaper of all types. The Standard Manufacturing Co., Ltd. (manufacturer, distributor), J. McCarthy, Mgr., Water Street East, St. John's, Newfoundland. WTD in preparation.

● **IRAN**—Iranian Tobacco Co. requires 40 million cigarette paper booklets, each containing 60 sheets of 100% white, chiffon paper. Sheet dimensions to be 40 x 70 mm. and substance to be 19-20 grams/m². Bid deadline July 12. Copies of tender announcement with specifications and conditions are available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3003).

275 Commercial printing

NETHERLANDS—PVC stickers, decals, decalcomanias for advertising and marking rubber, rubber foam, fabrics, leather. Zoomers & Zoomers (importer, exporter), 11 Jan Rebelstraat, P.O. Box 9615, Amsterdam-Osdorp. WTD 4/69.

281 Industrial chemicals

● **PAKISTAN**—Urea, granular-free flowing, 46% minimum nitrogen content, 2% maximum biuret content and 1% maximum moisture content, 50,000 metric tons and triple superphosphate, granular-free flowing 46% P_2O_5 minimum, 75% minimum water soluble P_2O_5, 4.0% H_3PO_4 maximum, 4.0% H_2O maximum, with 95% — 6 + 16 mesh minimum, 30,000 M.T. Port of discharge and delivery date varies: Urea—20,000 tons, Oct. 1969 Chittagong; 20,000, Nov. 1969 Chalna; 10,000, Dec. 1969 Chittagong; triple superphosphate—20,000 tons, March, 1970 Chittagong and 10,000, Apr. 1970 Chalna.

Bagging in polyethylene tubular liner of 5 mil. thickness (with jute overbags) heat sealed at the bottom and closed at top, 50 kilo net. Overbags made from jute, 12-13 oz. quality. Tender shall furnish the C&F prices showing separately the f.o.b. cost and ocean freight charges for Chittagong/Chalna per M.T. Liner terms as well as charter terms separately in full ship loads. Tender No. P-111/17/F/69. Bid deadline May 31. Bids sought under supplier's credit.

Tender documents available from Embassy of Pakistan, 2315 Mass. Ave., NW., Washington, D.C. 20008. (Telephone: 202-332-8330).

282 Synthetic materials

BRAZIL—Polypropylene in film (1 gr./m²) already treated for hot gluing on paper. Plastificacao Rio Industria e Comercio Ltda. (manufacturer, distributor), Av. Rio Branco, 108 sala 606, Rio de Janeiro ZC-21 GB. WTD 2/69.

Little things make the difference

"Quite often the difference in being successful and not being successful in a foreign market is that the successful firm is aware of and paying attention to the little things.

"These can be:

"Handling all overseas correspondence as quickly as possible;

"The ability to be understood in writing;

"Making certain that the sales literature and technical bulletins are in the language of the country;

"And tailoring the product to the customer's needs.

"To be successful in international trade takes more than a product and a desire to sell it. Often it is these little things that can make the big difference in overseas marketing."

—V. J. Borland, Export Manager, Quaker State Oil Refining Corp.

285 Paints, varnishes, lacquers, enamels

CANADA—Vinyl sheeting usable for wallpaper. The Standard Manufacturing Co., Ltd. (manufacturer, distributor), J. McCarthy, Mgr., Water Street East, St. John's, Newfoundland. WTD in preparation.

287 Agricultural chemicals

IRAN—Insecticides, other agricultural chemicals. Sherkat Sahami Panbeh Shomal (importer), Nikpour Bldg., Bouzarjomehri Ave., Tehran. WTD 4/69.

291 Petroleum refining

NETHERLANDS—Mineral oils, all kinds. Mansvelt N.V. (importer, exporter, wholesaler, commission merchant), 138 Oostzeedijk, Rotterdam-16. WTD 4/69.

307 Plastic products

ISRAEL—Solid, transparent, unbreakable plastic tubes for manufacture of water demineralizers. IONEX Ltd. (importer, distributor), 23 Tzel Haghiva Street, Ramat-Gan, Israel. WTD 3/67.

NETHERLANDS—Polyethylene plugs, sprinklerplugs, plastic bottleclosures. Zoomers & Zoomers (importer, exporter), 11 Jan Rebelstraat, P.O. Box 9615, Amsterdam-Osdorp. WTD 4/69.

327 Concrete, gypsum, plaster products

NORWAY—Insulating materials, acoustic panels of gypsum or mineral wool. Direct purchase and agency. Ikas A/S (distributor, importer, agent), Grefsenveien 52, Oslo 4. WTD 4/69.

331 Steel mill products

● **INDIA**—Steel plates, 3,450 metric tons, fully aluminum killed and normalized according to IS 2062, ST 42 W (June 1966). Tender No. S-84 of 1969; bid deadline June 12. Director, Railway Stores, Railway Board, Rail Bhavan, New Delhi.

Copies of tender documents available for inspection at the Consul General of India, 3 East 64th St., New York, N.Y. 10021 and 215 Market St., San Francisco, Calif. One copy of documents available for inspection at Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

● **PAKISTAN**—Steel plates, 1,821 long tons, weldable quality, conforming to PRS Specification Nos. M-5-55 and M-30-49 or equivalents, in six sizes. Tender No. PR-I/69/Wag./3; bid deadline June 14. Secretary, Railway Board, Govt. of West Pakistan, PWR Headquarters, Empress Road, Lahore. Copy of tender documents is available for inspection at the Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

333 Primary smelting, refining of nonferrous metals

● **BRAZIL**—Supply of 52 metric tons of electrolytic copper wire-bar 99.9% ingots. Bid deadline May 27.

This tender will be financed from a $16.5 million loan ($11.5 million—Inter-American Development Bank; $5 million—Swedish Latin American Development Fund) covering part of the construction of the Juqueri System, Sao Paulo's principal fresh water source. Contact Cia. Metropolitana de Agua de Sao Paulo, Av. Paulista 1938, Sao Paulo.

335 Rolling, drawing, extruding of nonferrous metals

● **TRINIDAD**—Supply of 6,000 ft. 12Kv underground cable; 5,000 ft. P.V.C. multicore cable, size 16 core; and 3,000 ft. P.V.C. multicore cable, size 27 core. Bid deadline, June 27. Contact The Purchasing Officer, Trinidad and Tobago Electricity Commission, P.O. Box 121, Port of Spain.

345 Screw machine products

GERMANY—Self threader nuts; fasteners and fastener assembling systems. A. Raymond (manufacturer, exporter), 785 Loerrach, Teichstrasse 57. WTD 1/69.

349 Fabricated metal products

GUATEMALA—Would like metal components for children's high chairs, strollers, and play pens.

Interested firms should write: Prometal Ltda., Edwards, Berkowitz, Ltda. (manufacturer), 15 Avenida 10-53, Zona 1, Guatemala City. WTD in process.

352 Farm machinery

BRAZIL—Machine for harvesting peanuts (complete operation). Comercial Industrial de Oleos Ltda. (manufacturer), Rua 22, 1463 Caixa Postal 1463 Ituiutaba Estado de Minas Gerais. WTD in preparation.

KOREA—Motor tillers; farm dairy machines; farm poultry equipment; allied machinery, equipment. Direct purchase and agency. Samsung Moolsan Co., Ltd. (importer, distributor, commission agent), I.P.O. Box 1144, Seoul. WTD 6/68.

353 Construction, mining, materials handling machinery, equipment

AUSTRALIA—Above and underground drilling equipment, air and mechanically operated, underground cutters, loaders. Conquip Ltd. (manufacturer, retailer, exporter, importer), P.O. Box 141, Auburn, New South Wales. WTD 2/69.

NORWAY—Winches, ship cargo and mooring. A/S Edco (distributor), Fred Olsens gate 1, Oslo 1. WTD 11/68.

354 Metalworking machinery

GERMANY—Measuring tools, machines (machinist's metalworking type). Gebrueder Kessler KG (distributor, exporter, importer), 718 Crailsheim, Brunnenstrasse 16. WTD 1/69.

GUATEMALA—Used or obsolete stamping dies for production of metal seat pans, back rests for folding metal chairs. Prometal Ltda., Edwards, Berkowitz Ltda. (manufacturer), 15 Avenida 10-53, Zona 1, Guatemala City. WTD in preparation.

KOREA—Machine tools, cutting type, including boring machines, drilling machines, gear cutting, finishing machines, lathes, milling machines, allied products. Gold Star Trading Co. (commission agent), C.P.O. Box 101, Seoul. WTD in preparation.

Machine tools, cutting type, including boring machines, drilling machines, gear cutting and finishing machines, lathes, milling machines, allied products. Direct purchase and agency. Samsung Moolsan Co., Ltd. (importer, distributor, commission agent), I.P.O. Box 1144, Seoul. WTD 6/68.

● **SOUTH AFRICA**—Roll form corrugating line and associated equipment. Tender No. V159.

Bid deadline June 25. Head Capital Buying, South African Iron and Steel Industrial Corporation, Limited, P.O. Box 450, Pretoria, Transvaal.

Tender document available from the Steel Corporation on deposit of R100 ($1.40). This deposit will be refunded on receipt of a bona fide bid.

355 Special industry machinery

FINLAND—Machinery for making butter oil from milk. Requests descriptive material, prices, terms. Valio Finnish Co-Operative Dairies' Assn., Kalevankatu 61, Helsinki 18. Attn: Pekka Yrjanheikki/Technical Dept. WTD in preparation.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

Information and advice is available from these offices on: foreign markets for U.S. products and services, economic facts on foreign countries, firms with marketing facilites in foreign countries, trade and investment opportunities abroad, Government financing aid to exporters, foreign exchange regulations and procedures, export and import statistics.

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.
ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6531.
ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.
BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.
BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.
BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.
BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.
CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.
CHARLESTON, W. VA., 25301, 3000 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6181 Ext. 375 and 376.
CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.
CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.
CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.
CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.
DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.
DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.
DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.
DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.
GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.
HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203 Tel. 244-3530
HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.
HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.
JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.
KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.
LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.
MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.
MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.
MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.
MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 725-2133.
NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.
NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.
PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.
PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.
PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.
PORTLAND, ORE., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.
RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.
RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.
ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.
SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.
SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.
SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.
SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.
SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

● **GREECE**—Supply and installation of precooling and cold-storage equipment for six fruit packing plants. Tender No. 2099, bid deadline June 23. Agricultural Bank of Greece, Supplies Service, Supplies Section, 6 Christou Lada St., Athens 124.★ (Telephone: 202-967-5585).

● **KOREA**—Various equipment for food processing, packaging and noodle making; plastic molding machinery, injection blow and extrusion molding machinery and equipment for making vinyl-asbestos tile. Tenders for above items subject to IBRD loan approval. Korea Development Finance Corp., 12th Floor, the Cho Heung Bank Bldg., 14, Seoul.★ (Telephone: 202-967-5585).

Supply letter press, offset lithographic, gravure, other printing presses. Direct purchase and agency. Samsung Moolsan Co., Ltd. (importer, distributor, commission agent), I.P.O. Box 1144, Seoul. WTD 6/68.

356 General industrial machinery

KOREA—Pumping equipment for groundwater development. Direct purchase and agency. Samsung Moolsan Co., Ltd. (importer, distributor, commission agent), I.P.O. Box 1144, Seoul. WTD 6/68.

357 Office, computing, accounting machines

PAKISTAN—Small computers for use in accounting, advertising, production controlling, other similar uses. Direct purchase and agency. Barlexe Radios (importer), Hall Rd., Lahore. WTD in preparation.

358 Service industry machines

PORTUGAL—Air conditioning units, window type. Direct purchase and agency. FRIGIDO-Termoindustria Carrasqueiro & Teixiera, Lda. (importer, distributor), Avenida 5, de Outubro 177, Lisbon. WTD 1/68.

359 Machinery

NETHERLANDS—Leak detectors for automotive cooling systems, radiators. Direct purchase and exclusive representation for Netherlands and/or other Benelux countries. N.V. Handelmaatschappij CYTEX (importer), 311 Singel, Amsterdam. Attn: W. Th. A. van der Velde. WTD 5/68.

361 Electric transmission, distribution equipment

● **ECUADOR**—Supply electrical equipment for sports and gymnasium building to be constructed in Quito. Tender No. 5, bid deadline, June 12. Specifications available for approx. $17 including airmail charges, from the Secretaria, Comite Pro Construction del Palacio de Deportes de Quito, Edificio Bolivar, esq. de Venezuela 5° Piso—Oficina 501, Quito. Correspondence preferred in Spanish.

● **EL SALVADOR**—Panelboards per specifications which will be sent to interested parties after having sent their qualifications, such as experience in construction or 115 or more Kv transmission line. Tender No. 338, bid deadline July 15. Contact Harza Engineering Company, 400 W. Madison St., Chicago, Ill. 60606.

● **KOREA**—Supply of 22 recording watt demand meters, 120v. 5A, 3-phase, 3-wire, with associated accessories, for use with instrument transformers. Tender No. SLC-9066-P (Part I), bid deadline June 10. Requested by the Office of Supply, Government of the Republic of Korea, Seoul, Korea. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

● **PARAGUAY**—Supply 50 each power transformers, from 25 to 500 Kva. Tender No. 01/69, bid deadline June 23. Specifications available for approx. $10 including airmail, from Gerneia Comercial, Administracion Nacional de Electricidad, Calle Padre Cardozo 560, Asuncion, Paraguay.

● **THAILAND**—Supply of 20 each 500 Kva network transformer; 20 units disconnecting and grounding switch; 20 units network protectors, weatherproof, fully automatic. Tender No. MEA-PSD-152, bid deadline June 16. Metropolitan Electricity Authority, 121 Chakraphet Road, Bangkok, Thailand. Specifications available from the Power and Electrical Equipment Division, BDSA, Room 4124, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4241).

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362 Electrical industrial apparatus

● **EL SALVADOR**—Supply and erection of control equipment per specifications which will be sent to interested parties after having sent their qualifications, such as experience in construction of 115 or more Kv transmission line. Tender No. 339, bid deadline July 15. Contact Harza Engineering Company, 400 W. Madison St., Chicago, Ill. 60606.

363 Household appliances

PORTUGAL—Exhaust hoods for kitchens; laundry washing machines, household. Direct purchase and agency. FRIGIDO-Termoindustria Carrasqueiro & Teixeira, Lda. (importer, distributor), Avenida 5 de Outubro 177, Lisbon. WTD 1/68.

366 Communications equipment

● **KOREA**—Supply of a very high frequency television transmitter and associated equipment. Tender No. SLC-9066-P, O.S. No. 69-SLC-23 (Part II). Bid deadline June 10. Office of Supply, Government of the Republic of Korea, Seoul.★ (Telephone: 202-967-2328).

369 Electrical machinery, equipment, supplies

AUSTRIA—Heat-resistant cord for heating element connection in electric heating appliances; heating wire for roads, bridges, garages, other rooms; roof heating wire. Dipl.-Ing. Karl Loysch (manufacturer, importer, distributor, exporter), P.O. Box 88, A-3390 Melk. WTD 4/69.

372 Aircraft, parts

MEXICO—Small passenger jet airplane. Mr. Florencio Dominguez Abascal, Agente Aduanal (custom brokers), Xicotencatl No. 85. POB 322, Veracruz. Ver. WTD 4/69.

381 Engineering, laboratory, scientific, research instruments

● **KOREA**—Supply of 77 items of instruments, equipment, and supplies in various quantities, of laboratory, scientific, measuring, controlling, testing, chemical, recording, engineering, lubricants, metals, and many more. Tender No. SLC-9067-P, bid deadline June 11. Requested by the Office of Supply, Government of the Republic of Korea, Seoul, Korea. Terms and specifications available on loan basis from the scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

● **MALAYSIA**—Supply of metrology and machine tools laboratory equipment for the Technical College, Kuala Lumpur. Bid deadline July 4. Requested by the Principal, Technical College, Gurney Road, Kuala Lumpur, Malaysia. Terms and specifications available on loan basis from the Scientific & Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

382 Instruments for measuring, controlling, indicating physical characteristics

NETHERLANDS—Flow measuring equipment, vibration test equipment, gravity measurement and control instruments, hygrometers, spectro-chemical analyzers, ultrasonic temperature meters for very low temperatures (cryogenics) to 5,400° F. Direct purchase and exclusive representation for Netherlands, England, Belgium, Switzerland, France, Austria, Sweden, and W. Germany. Endress & Co. Holland N.V. (importer, wholesaler, exporter), 10 Eslaan, Bussum. Attn: H. C. Geveke. WTD 4/69.

● **PAKISTAN**—Supply of 23,500 water meters in ⅝" x ¾", 1", 2", 4", and 6" sizes with appurtenances and connecting pieces. Tender No. DW5-69, bid deadline June 24. Requested by the Chairman. Dacca Water Supply and Sewerage Authority, 156/157 Motijheel Commercial Area, Dacca-2, East Pakistan. Cable "WASADAC",

Dacca. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone. 202-967-2939).

● **SINGAPORE**—Supply of domestic gas meters of 35 cu. ft. per hr. nominal capacity. Bid deadline June 16. Approx. 10,000 meters to be supplied per yr. for the period 1970-1972. Six pieces of sample meters must be submitted on or before June 16 for testing purposes. Samples will be returned, except for successful bidder. For additional information and tender documents, contact issuing authority: Gas Dept., Public Utilities Board c/o Gas Showroom, City Hall, Singapore 6.

394 Toys, amusement, sporting goods

COLOMBIA—Basketballs; volleyballs; archery equipment; tennis rackets and balls; playground equipment, including trampolines, gymnasium equipment; golf clubs and balls.

Interested firms should write: Andres Sanchez Solano—Almacenes Maracana (importers, distributors), Calle 59 No. 13-52 Of. 407, Bogota. WTD 4/69.

399 Manufacturing industries

AUSTRIA—Advertising gifts. Requests correspondence be in German. Walter Dibl Ges.m.b.H. & Co. K.G. (importer, wholesaler, exporter), Weyprechtgasse 6/7a, A-1160 Vienna. WTD 4/69.

509 Wholesalers

ITALY—Interested in all types of nonferrous scrap metals; aluminum, brass, copper, zinc, and other related alloys. Rifometal S.p.A. (manufacturer), Via Paolo Veronese 324, Torino. WTD 4/69.

Malaysia wants bidders for palm oil mills, land development project

The Government of the Federation of Malaysia invites contractors to prequalify for the construction of the following works in the Jengka Land Development Project, State of Pahang, West Malaysia:

I. Agricultural Development: (a) jungle clearing for the planting of oil palm; (b) construction of agricultural and harvesting roads.

II. Village Development and General: (a) destumping of village areas; (b) supply and construction of timber houses for settlers, office buildings, staff quarters and other ancillary buildings.

III. Palm Oil Mills: design, supply, construction, completion and commissioning of palm oil mills. The project will be partly financed by the World Bank.

Registration deadline is June 30.

Copies of a pamphlet on the project (which includes prequalification application form and a description of the works) are available from the Construction and Building Materials Division, BDSA-645, Room 4813, U.S. Department of Commerce. Washington, D.C. 20230.★ (Telephone: 202-967-3602).

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

011 Field crop farms

SPAIN—Soybeans, dry beans, corn. Francisco BEVIA Berenguer (agent), Belando 5, Alicante. WTD 4/69.

203 Canning, preserving foods

SPAIN—All classes of canned foods. Francisco BEVIA Berenguer (agent), Belando 5, Alicante. WTD 4/69.

208 Beverage industries

SPAIN—All classes of beverages. Francisco BEVIA Berenguer (agent), Belando 5, Alicante. WTD 4/69.

209 Food preparations

SPAIN—Grease, inedible tallow used in manufacturing soap. Francisco BEVIA Berenguer (agency), Belando 5, Alicante. WTD 4/69.

229 Textile goods

NETHERLANDS—Book cloth. Exclusive agencies requested for Common Market countries.

Agentuur & Commissiehandel "CEKA" (importing agent), 82 Zandvoorterweg, P.O. Box 45, Aerdenhout. WTD 4/69.

264 Converted paper, paperboard products

GERMANY—Bed sheets, underwear, table cloths, other related items, made of paper fleece material, plain and colored. Requests price quotations c.i.f. Hamburg or Bremen. Requests correspondence be in German. Friedrich Schlieper Jr. (manufacturer, exporter), 565 Solingen-Merscheid, Postfach 25. WTD 4/69.

278 Bookbinding industries

NETHERLANDS—Loose leaf binders, devices, other bookbinding materials. Exclusive agencies for Common Market countries. Agentuur & Commissiehandel "CEKA" (importing agent), 82 Zandvoorterweg, P.O. Box 45, Aerdenhout. WTD 4/69.

307 Plastic products

IRELAND—Plastic bathroom accessories. Exclusive agencies. Andy Agencies (importing distributor), 10 Cunningham Drive, Dalkey, Co. Dublin. WTD 4/69.

332 Iron, steel foundries

IRELAND—Cast iron cooking utensils. Exclusive agency. Andy Agencies (importing distributor), 10 Cunningham Drive, Dalkey, Co. Dublin. WTD 4/69.

336 Nonferrous foundries

IRELAND—Cast aluminum kitchen utensils. Exclusive agency. Andy Agencies (importing distributor), 10 Cunningham Drive, Dalkey, Co. Dublin. WTD 4/69.

353 Construction, mining, materials handling machinery, equipment

SPAIN—Parts, attachments for construction equipment in general. Distribuidora Comercial de Recambios, S.A. (importer, distributor), Av. del Mediterraneo 8, Madrid (7). WTD 3/69.

381 Engineering, laboratory, scientific research instruments

JAPAN—Architect's and/or draftsman's automatic drawing instruments. Shinko Trading Co., Ltd. (importer, exporter), 3-3 Uchi-Kanda 2-chome, Chiyoda-ku, Tokyo. WTD 4/68.

Future construction summary available

A quarterly summary of future construction projects abroad, contract award stories and significant foreign government tenders published in the INTERNATIONAL COMMERCE and *Commerce Business Daily* during January, February and March, is available to U.S. firms from the International Liaison and Trade Opportunities (ILTO) Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. A pre-addressed mailing label should be included with the request to facilitate processing and mailing.

The summary, which may also be reviewed at any of the 42 Commerce Field Offices, alphabetically lists project summaries by country in five distinct classes: airport, seaport, railroad and highway projects; hydro and thermal electric plant and irrigation projects; hospital, hotel and housing projects; industrial plant projects; and comprehensive development projects. Whenever possible, names of contractors and responsible agencies are cited, as well as original publication dates.

A limited number of copies of the third and fourth quarter 1968 summaries are also available upon request and will be distributed on a first-come basis.

Greece announces 1969 procurement program for national agencies

International tender program of $208 million open to all suppliers

The Greek Government through its Procurement Planning Committee, Ministry of Commerce, recently announced its program of 1969 purchases for about 100 Government and quasi-governmental agencies to be made from local sources, barter arrangements and international tenders.

The program of purchases through public tenders open to both foreign and local suppliers is now available.

The international tender program totals $208 million, while the local purchase program is $420 million.

Listed below are the principle commodity groups included in the $208 million international tenders:

Foodstuffs—feedstuffs, **$32,446,400**; textiles and related goods, **$83,300**; leather and related goods, **$10,000**; rubber and plastic goods, **$609, 700**; metal products, **$15,937,100**; pipe and other hydraulic supplies, **$959,300**; electrical machinery and equipment, **$21,761,400**; TV sets and telecomunications equipment, **$20,290,500.**

Plant machinery and equipment, **$22,868,900**; trucks, buses, autos, boats, etc., **$6,632,100**; parts and accessories, **$8,859,600**; photographic, motion picture and photoprinting equipment and supplies, **$953,700**; musical instruments, recording equipment, **$25,700**; drawing and computing equipment, **$318,900.**

Scientific instruments, apparatus, tools, **$12,224,300**; chemicals, dyestuffs, glass, **$8,757,700**; pharmaceuticals, medical supplies, **$1,897,900**; gym supplies, **$28,300**; ordnance supplies, **$351,300.**

Building materials, **$70,300**; lumber and wood constructions, **$7,463,400**; railway equipment and supplies, **$23,026,700**; lubricants, fuel and petroleum products, **$2,241,800.**

Paper, **$1,882,900**; stationery, **$164,600**; books, bookbinding and printing, **$183,300.**

Packaging materials, bags, etc., **$188,700.**

Breeding animals and seeds, **$4,575,900**; capital goods, for projects, **$109,000**; miscellaneous supplies, **$1,941,700**; other supplies and project contracts, **$1,183,300**; welding materials; **$5,000**; contingencies, **$10,046,200.**

As specific international tenders are made available, they will be published in INTERNATIONAL COMMERCE together with the name and address of the Greek procurement office.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

FRANCE—Another European Investment Bank loan equivalent to $18.2 million is intended for the partial financing of the **construction of a 600mw power unit** as the first stage of a new steam power plant located at Cordemais in the Loire-Atlantique.

This project is part of the program of Electricite de France (EDF) to strengthen the power supply facilities of western France. EDF has its headquarters in Paris. The total cost of the project is estimated at 497 million FF ($100.7 million).

A ten-year program to extend the natural gas supply network of southwest France will be partially financed with a European Investment Bank loan equivalent to $16.2 million to the public company, Societe Nationale des Gaz du Sud-Ouest, 45 Rue Emile Guichenne, 64 Pau, France.

Estimated at the equivalent of $46.6 million, the project involves the transportation and marketing of gas coming from the Saint-Marcet and Lacq deposits located in the Departments of Haute-Garonne and Basses-Pyrenees.

GABON—A flour mill and a chicken farm in Gabon will benefit from a European Investment Bank loan equivalent to $506,000. The total amount of the project, consisting of the establishment of a flour mill in Libreville with grinding capacity of 500 metric quintals of wheat per day and a poultry farm capable of producing 840,000 eggs and 63 metric tons of chickens for cooking per year, comes to the equivalent of $1.44 million. The total output of the two is intended for the domestic market.

IRELAND—Four new automatic telephone exchanges will be opened in the Dublin area and one in Limerick, a new long distance exchange will be brought into full service in Dublin and another in Cork, a new international exchange will be provided in Dublin, and provision is being made for a net increase of about 115,000 subscribers' lines representing a growth rate of 9.4% per annum under the recently introduced Telephone Capital Bill.

The capacities of all existing automatic exchanges are to be extended and an additional 300 manual exchanges are to be converted in a five-year period. Subscriber dialing to London and Belfast within the next year, and later to other places in Britain and in Europe, together with the introduction of coin box dialing for long distance calls, is being planned. Five-hundred new telephone booths are to be provided, and further development of the transmission of computer data by telephone is being studied.

NETHERLANDS—Plants for producing chlorine, chlorinated hydrocarbons, and methylamines are to be constructed in Delfzijl with a European Investment Bank loan equivalent to $10 million. The sponsor of the three-plant project is the N. V. Koninklijke Nederlandsche Zoutindustrie (KNZ) of Hengelo.

The construction of the new installations is aimed at increasing the chlorine production capacity. This product will be manufactured from brine according to a modern technical process using diaphragm electrolysis cells.

The new electrolysis plant will work in conjunction with a soda ash plant which KNZ also operates in Delfzijl. Brine will be supplied by means of an 18-mile long pipe line and will come from the drilling fields whose working concession is held by the group. The advantage of this project lies in the fact that the major part of the chlorine produced by the new electrolysis plant will be used for the production of new chlorine products (perchlorethylene, chloroform, methylene-chloride, carbon tetrachloride).

PAKISTAN—Approximately $29 million in construction equipment has already been purchased from United States firms for use in

Valuable series

Which overseas markets have been good customers for products like yours, so that you can select those that show best future potential?

An excellent place to start your investigation is the U.S. statistics on exports—the Census Bureau's FT-410 series, which shows exports, by commodity, to country of destination.

From these monthly reports, you can learn which of some 169 countries have bought any of more than 3,000 U.S. products. By checking U.S. exports of your products for three or four years, you can determine which countries have been the largest and most consistent markets. In some instances, the FT-410 statistics will also give you an indication of the average price for your product in a given market.

"Introductory Guide to Exporting," published April 1968 by U.S. Department of Commerce

construction of the billion-dollar multi-purpose **Tarbela Dam** in West Pakistan.

This equipment includes such items as power shovels, cranes and draglines, crawler and contractor wheel tractors, off-highway haulers, tractor shovel loaders, ditchers, dredges, rollers, compactors and motor graders.

Although substantially all construction equipment has already been ordered, further supply contracts will be let up to mid-1972. Announcements of the invitations to bid on these future contracts will appear in INTERNATIONAL COMMERCE as they are made available.

TURKEY—**A recent press release described two European Investment Bank agreements** concluded with Turkey, one this year for the equivalent of $7.6 million to assist in the construction of a 380 Kv electric power line and the other in 1968 to the Industrial Development Bank of Turkey for the equivalent of $7.5 million for the financing of such private industrial projects as the new electric lamp factory in Izmir.

The Etibank Power Group of the Turkish Ministry of Energy and Natural Resources is responsible for the construction and operation of the power line as well as power plants.

The lamp factory will be operated by the Turkish Ltd. Co., Birlesik Aydinlatma Sanayii A.S., whose capital is equally shared by the Philips Group and the Tekfen Ltd. Co.

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated

ARGENTINA—Carlos Fernando Castro, pres., and Pedro Dominguez, dir., Proveeduria Deportiva, S.A.I.C., H. Yrigoyen 1116, Buenos Aires, **interested in contacting U.S. exporters of hunting, fishing and camping equipment.** May 24 via New York for two weeks. c/o Argentine Consulate General, 12 West 56th Street, New York, N.Y. 10019. Itinerary: New York. WTD in preparation.

AUSTRALIA—Peter MacCormick, Colonial Enterprises Pty. Ltd., The Colonial Deli, 732 Military Road, Mosman, N.S.W. 2008, **interested in purchase of prestige and other food delicacies and requesting technical information on retailing systems for prestige delicatessen products sold to upper social class customers.** May 25 via Honolulu for two weeks. c/o T. MacCormick, 11 G, 305 E. 24th St., New York, N.Y. 10010. Itinerary: Honolulu, Los Angeles, Minneapolis, New York, Buffalo, Chicago. WTD in preparation.

NOTE: Another group of travelers reaching the U.S. has important sales information for American firms. Itinerary of returning U.S. Commercial Officers, holding business consultations at various U.S. Department of Commerce Field Offices, is reported each week in the "Calendar for International Traders" on the inside back cover.

ISRAEL—Raphael Levy, head engineer and manager of Plassim Ltd., Kibbutz Merhavia, **interested in buying know-how in use of plastic materials for manufacture of plastic pipes for supply of hot water, petroleum and gas, in purchase of latest applications of plastic pipes and patents for new fittings for polyethylene and PVC pipes, in exchanging know-how in use of plastic pipes for irrigation, and requesting technical information.** May 18 via New York for five weeks. c/o American Trade & Industrial Development with Israel, Inc., 111 W. 40th St., New York, N.Y. 10018, telephone 212-594-5215, or Kibbutz Industries Assn., 155 E. 50th St., New York, N.Y. 10022, telephone 212-753-7590. Itinerary: New York, Boston, Dallas, Los Angeles, San Francisco, others as required. WTD 4/69.

NEW ZEALAND—Robert Sell, governing director, La Boheme Ltd., 41 Wellesley St. West, Auckland 1, **interested in visiting restaurant and motel operations, contract catering establishments, in obtaining U.S. franchise in these fields for development in New Zealand, and in locating commercial pancake mixing equipment.** May 15 via Los Angeles for 30 days. c/o Commerce Field Offices in Los Angeles and Chicago. Itinerary: Los Angeles, San Francisco, Chicago, New York. WTD 4/69.

TAIWAN—T. W. Chen, mgr., Goldword Industrial Co. Ltd., 25 Lane 369, Tun Hua South Road, Taipei, **interested in direct purchase and agencies for oil field supplies, chemicals and chemical processing equipment, and in exporting to the U.S. pleasure boats, loud speakers, and handicrafts, and requesting technical information on dust collection and air pollution protection, on equipment, processes, instruments and chemicals for industrial hygiene and safety.** May 15 via Los Angeles for one month. c/o Wilton Enterprises, Inc., 833 W. 115 St., Chicago, Ill. 60643 and The Moor Co., Marceline, Mo. 64658. Itinerary: Los Angeles, San Francisco, Marceline, Kansas City, Chicago, New York, Carlstadt, N.J., Indianapolis, Washington, Tulsa, Dallas. WTD in preparation.

Pakistan calls for bids on variety of items

The Directorate of Supply, Govt. of East Pakistan, requires the following items: diesel and petrol engines; stationary diesel electric unit; engine dynomometers and diesel injection pump calibrating stand; universal nozzle and injector test stands; gasoline engines (used) on stands; standard and heavy duty transmissions, magnetoes; concrete, mortar and plaster mixers; concrete vibrators, pelton turbines, flow measuring tanks, pump sets, flow meters, venturi tubes, turbines, level gauge for measuring tanks; orifice plates and pipe works; instructional boilers, steam and horizontal engines; locomotive, marine boilers and impulse reaction turbines; diesel electric locomotives and vapor absorption units; compression ignition engines.

Procurement will be financed by IDA Credit No. 87-Pak. Tender No.: S-8/195/Engg/IDA/68-69. Bid deadline July 31, 10 a.m.

Tender documents are available for Rs.75/ ($15.75) (not refundable) per set from Directorate of Supply, Govt. of East Pakistan, 48 Motijheel Commercial Area, Dacca-2, East Pakistan—Cable: "SUPPLY", Dacca, or one set of specifications is available for review only in Room 4057, Trade Opportunities Staff, BDSA-541, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4674).

AMA meetings to cover Jamaica, Dominican Republic

One-day orientation seminars have been scheduled by the American Management Association on two Western Hemisphere countries—Jamaica and the Dominican Republic.

Developing a Manufacturing Base in Jamaica, scheduled for June 11 at AMA Headquarters, will include information on the business climate in Jamaica, financial and fiscal policy incentives available to businessmen, and a panel discussion on such things as labor, wages, unions, utilities, and planning.

Improved Investment Climate for Labor-Intensive Industry in the Dominican Republic will be held June 12 at the Barbizon-Plaza Hotel. Topics to be covered include: a review of the economy, fiscal and legal considerations, industrial incentives, investment opportunities, La Romana free zone and industrial park, and outlook for the future.

For further information, interested parties may **write:** American Management Association, Inc., 135 West 50th St., New York, N.Y. 10020.

Government of Bolivia calls for departure tax on travel

The Government of Bolivia has decreed a departure tax on travel from Bolivia to other countries. The tax will be collected by transportation companies ticketing departures by all but the following: members of the Diplomatic Corps accredited to Bolivia; members of International Missions and agencies which have special conventions with the Bolivian Government; members of official missions of the Bolivian Government authorized by Supreme Resolution; accredited students and cultural delegations; foreign tourists in Bolivia, and children under five years of age.

The following rates have been established for the tax: departures to bordering countries by air $12.50, by land $5; departures to other Latin American countries by air $25; departures to other countries by air $33.33.

New Books and Reports

***The Future of the Dollar and Supplement.* Published by International Reports, Inc. New York. 1968-69. 96pp. $55.**

The basic report was published in June of 1968 and is still timely. The supplement was issued in April 1969. Together they provide an up-to-date analysis of the international position of the U.S. dollar and prospects for change.

Main topics covered by the original volume are: decline of the buying power of the dollar; future of the foreign exchange rate of the U.S. dollar; and international liquidity and future of the gold price. The supplement includes updated information on these subjects plus numerous statistical tables on balance of payments, U.S. international investment position, U.S. gold reserves, cost-of-living index, foreign assets and liabilities of U.S. corporations, and others.

Write: International Reports, Inc., 200 Park Ave., New York, N.Y. 10003.

***Sensus International—Analysis of International Electronics.* Published by Sensus International. San Francisco. $700 per year.**

Sensus is a continuing information service for electronics executives. It covers the electronics industry and markets in 34 countries worldwide.

Information is based on extensive and continual field research in each country in the areas of tariff rates and policy; import licenses; export restrictions; credits, financing and insurance; investment controls; government procurement practices; and others.

For further information, **write:** Sensus International, 712 Montgomery St., San Francisco, Cal. 94111.

***Employment, Output, and Foreign Trade of U.S. Manufacturing Industries, 1958-67.* Published by the Trade Relations Council of the United States. Washington, D.C. 1969. $100.**

The second edition of this volume contains additional industries and updated information on the economic growth and foreign trade of U.S. manufacturing industries.

The three sections of the report are: data on employment and output compared with foreign trade of U.S. manufacturing industries for 1958-67; the origin and destination of the foreign trade of each industry by geographic region, and the principal countries with which such trade was conducted in 1967; an analysis of the effect on employment and employment opportunity in U.S. manufacturing industries as a result of foreign trade in manufactured goods with Japan.

Write: Trade Relations Council of the United States, Inc., 1001 Connecticut Ave., NW. Washington, D.C. 20036.

New directory gives convention data

A publication giving a wealth of information on planning conventions and exhibits has just been issued.

Sales Meetings: 1969 International Convention Facilities Issue contains an alphabetical listing of hotels, listing of auditoriums by city, an eight-year calendar, index to speakers, a list of associations in or allied to the convention and trade show field, and a list of show managements—companies that produce and manage trade and industrial shows.

Special sections feature facilities for conventions, expositions, and trade shows in North, Central, and South America, and the Caribbean; and in Europe, the Middle East, Africa, Asia, and Australasia. Listings are also included of exhibit builders, show suppliers, group travel suppliers, audio-visual producers, and convention services and products.

To obtain a copy, send a check for $2 to: Sales Meetings, 1212 Chestnut St., Philadelphia, Pa. 19107.

***The European Economic Community.* Published by DMS, Inc. Greenwich, Conn. 1969. 600pp. $500 annual subscription.**

This publication and inquiry service consists of a loose-leaf bound volume and monthly supplements analyzing the electrical equipment, aircraft, motor vehicle, and office machinery industries of each of the Common Market countries. One of its appendixes delineates means and methods U.S. producers can employ to penetrate the EEC market.

Included as background are political, economic and sociological summaries of the Community as a whole, and of each member nation, together with data on population, gross national product and currencies, consumer tastes and preferences, economic policies and attitudes toward foreign investment, foreign trade, labor, transportation, communication, and other general marketing information.

Write: DMS, Inc., 100 Northfield St., Greenwich, Conn. 06830.

***Scotland Opportunity '69.* Published by Scottish Industrial Estates Corp. Glasgow. 1969. 104pp. Free.**

Opportunities for industrial development in Scotland are presented in this brochure, as is the work already accomplished in building new factories.

A classified directory contains listings of tenant firms, estates with their tenant firms, and products. The booklet also includes information on the operations of the industrial estates, descriptions of factories, available power (gas, coal, electricity, and oil), shipping by road, rail, air, and sea (with a listing of ports), and new Scottish products.

Write: Scottish Industrial Estates Corp., 3 Woodside Pl., Glasgow C.3, Scotland.

***Analysis and Trends of Scientific Instrument Exports 1965-68.* Published by the U.S. Department of Commerce. Washington, D.C. 1969. 9pp. Free.**

After a summary of export trends and the increase in overseas investment in production and assembly plants, this report contains a series of tables. They depict the balance of trade for scientific instruments, dollar value of U.S. exports of scientific and industrial instruments 1965-68, and export percentages of shipments of selected instruments.

Write: Scientific and Business Equipment Division, Business and Defense Services Administration, U.S. Department of Commerce, Washington, D.C. 20230.

NOTE: Readers are advised of new reports in an article on pages 3-4 on the International Marketing Information Service.

☆ U. S. GOVERNMENT PRINTING OFFICE 1969—341-963/48

Calendar *for international traders*

ATLANTA—May 28—Fifth of 6 International Business Systems Seminars, Commerce Field Office, 9:30 a.m.-4 p.m. Sponsors: Commerce Field Office, Georgia State College.

AUSTIN, Tex.—June 4—Agribusiness Seminar, Ambassador Room, Villa Capri, 8 a.m. Sponsors: Commerce Field Office, REEC, State Dept. of Agriculture.

CHICAGO—June 3—Automotive Exporters' Club, Builders Bldg.

CHICAGO—June 5—In-Office Meeting, Commerce Field Office.

CHICAGO—June 11—East European Market, Chicago Assn. of Commerce & Industry, 30 West Monroe Street.

CHICAGO—June 18—Chicago Midwest Credit Management Assn., Bismarck Hotel.

CLEVELAND—May 28—Basic Export Workshop, Greater Cleveland Growth Assn., 10 a.m.-12 noon. Sponsors: Commerce Field Office, Small Business Administration, Cleveland World Trade Assn.

CLEVELAND—June 11—Export Seminar on the Far East, Commerce Field Office, 10 a.m. Sponsors: Commerce Field Office, REEC, Small Business Administration.

DALLAS—June 10—Latin American Trade Conference, Braniff Training Room, Love Field, 9 a.m. Sponsors: Commerce Field Office, N. Texas-Okla. REEC, Braniff Int'l, Small Business Administration.

DETROIT—June 10—Export Seminar, 445 Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

DETROIT—June 19—World Trade Club meeting, Pick-Ft. Shelby Hotel, 6 p.m.

FT. WORTH—June 11—Report on Ft. Worth Trade Mission to Central Europe, Petroleum Club, 12 noon. Sponsors: Commerce Field Office, N. Texas-Okla. REEC, Chamber of Commerce.

GREENSBORO, N.C.—June 13—Businessmen's Consultation, **John B. McGrath, Economic Officer, London.** Sponsor: Commerce Field Office.

Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

Managing Editor,

International Commerce

BIC-204

U.S. Department of Commerce

Washington, D.C. 20230.

HARTFORD—May 28—Businessmen's Consultation, **Arthur J. Reichenback, Foreign Service Officer, Stuttgart.** Sponsor: Commerce Field Office.

HONOLULU—June 18—Export-Import Workshop, Rm. 286, Alexander Young Bldg., 10 a.m. Sponsors: Commerce & Small Business Administration Field Offices.

IRVING, Tex.—June 3—Export Power Company Cooperative Program, Training Room, Texas Power & Light Co., 9 a.m. Sponsors: Commerce Field Office, REEC, Texas Power & Light Co.

NEW YORK—May 27—Fifth of 8 lectures on International Business Marketing-Management, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—May 28—Sixth of 7 Planning & Organizing for Int'l Trade lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration. L.I.U.

NEW YORK—May 29—Sixth of 8 Documentation lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEWARK, N.J.—June 19—Profits in Exports, Small Business Administration, 970 Broad St. Sponsors: Commerce N.Y. Field Office, REEC, SBA.

PHILADELPHIA—June 4—Businessmen's Consultation, **John B. McGrath, Economic Officer, London.** Sponsor: Commerce Field Office.

PHOENIX—May 26—Export Workshop, Rm. 5413, Federal Bldg., 10 a.m.-12 noon. Sponsors: Commerce Field Office, Arizona REEC.

RIO PIEDRAS, P.R.—May 28—Third of 12 weekly lectures in Spanish on Introduction to International Trade. Rm. 238, Social Sciences Bldg., University of Puerto Rico, 8 p.m. Sponsors: U.S., Puerto Rico Departments of Commerce, REEC, Pan American World Airways.

SPARTANBURG, S.C.—May 28—5th Annual South Carolina World Trade Conference, Longhorn Restaurant, 10 a.m. Speaker: W. W. Johnson, chmn., S.C. Ports Authority.

WACO, Tex.—June 5—Export Power Company Cooperative Program, Training Room, Texas Power & Light Co., 9 a.m. Sponsors: Commerce Field Office, REEC, Texas Power & Light Co.

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INTERNATIONAL MARKETING INFORMATION SERVICE

EXHIBITOR'S

EXPORT MARKET GUIDE

Parts to be shown in Sept. to makers of machinery, vehicles in Scandinavia

An exhibition of parts and components for machinery and vehicles will be sponsored by the U.S. Department of Commerce September 17-23, 1969, at the U.S. Trade Center for Scandinavia, which is located in downtown Stockholm.

Among the types of components to be exhibited will be:

- Hydraulic and pneumatic devices
- Pumps and filters;
- Engines and motors;
- Transmissions;
- Brakes, clutches, gears, couplings
- Controls and switches.
- Other parts, components, and accessories.

These products will be presented to all Scandinavian manufacturers of machinery and vehicles listed in table I. Every Scandinavian original equipment manufacturer (OEM), certain intermediate manufacturers, and all agents, importers, and distributors supplying these parts and components will be invited to this important trade promotion and sales event via an all-media publicity campaign and by direct mail invitations.

U.S. companies will participate in this exhibition to make sales, establish business contacts, introduce new products, increase market exposure, test the market, and, in some cases, to obtain local representatives.

U.S. Parts Have Good Potential

According to a market survey just conducted, Swedish OEMs show a strong interest in seeing and purchasing the latest and best U.S.-made parts and components for heavy machinery and vehicles. Interest is especially strong in U.S.-made hydraulic and pneumatic devices and equipment, hydraulic and allied transmissions, automation devices and

u of International Commerce

April 1969, IMIS 69-2

INTERNATIONAL MARKETING INFORMATION SERVICE

COUNTRY MARKET DIGEST

Best prospects for U.S. exports to Israel

Excellent opportunities for increased sales to Israel await U.S. suppliers of capital goods and equipment required by Israel for the development of selected "export-oriented" industries. The aim of Israel's present economic policy is to expand the country's gross national product (GNP) by at least 9% annually through 1971, and to reduce the traditionally sizable trade deficit so

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stry in Israel began in 1960
r of two firms to produce
and telephones. Today 14
ployees produce such varied
nication and navigation sys-
s, intercommunications equip-
airfields, Geiger survey moni-
ex equipment.
nclude the production of rela-
struments in the areas of medi-
sputers, measuring equipment
pment. It is planned that by
workers will be employed in
es industry and that its annual
will have grown from $37 mil-
e.
he production of non-standard
ctured in large series and in-

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March 1969, IMIS 69-101

INTERNATIONAL MARKETING INFORMATION SERVICE

WORLD MARKETS FOR U.S. EXPORTS

Measurement, Control Instruments—*Mexico*

Market Expected to Rise Sharply by 1971

The market in Mexico for industrial measurement and control instruments is expected to amount to just under $40 million[1] by 1971, according to a recent market research study for the Department of Commerce that projected public and private investments in plant construction, expansion, and modernization. Imports are expected to satisfy $35 million of this total demand, with the U.S. share amounting to $24 million.

In 1968 the Mexican market for industrial measurement and control instruments totaled approximately $27 million, of which imports amounted to $25 million.

Projected for 1971,	
Total consumption	$40,000,000
Import demand	$35,000,000
Growth in demand	48%
Growth in imports	40%

The U.S. share of Mexico's total imports of instrumentation in 1968 was approximately 70 percent or $17.5 million. This compares with imports from the U.S. of $10.6 million in 1965 (see accompanying table).

Although the U.S. share of total imports has varied somewhat from year to year (e.g., 69 percent in 1967 and 73 percent in 1966), the United States is, and is expected to remain, Mexico's principal supplier by a wide margin.

End-User Analysis

The most important end users of industrial instrumentation at present are the petrochemical, iron and steel, chemical and power generating industries.

Planned investments and projected purchases of industrial instruments in 1968 in some of Mexico's leading instrument-using industries are shown in the following table.

	1968 Total Investment (Mil. dol.)	1968 Investment in Instrumentation (Mil. dol.)
Chemical	220	8
Electrical	230	5
Steel	80	5
Paper & Pulp	35	1

[1] All figures are in U.S. dollars. One U.S. dollar equals 12.5 Mexican pesos. Mexican import restrictions. Solicite instrucciones del Comercio Exterior de los Estados Unidos Mexicanos.

In addition to the foregoing, Mexico will require instruments for other industries—cement, beverages, glass, paint, rubber, home appliances—as well as replacements for existing equipment.

The 1968 investment patterns are in most cases part of long-term plant expansion programs. Under the stimulus of such programs, imports of industrial instruments are expected to increase by more than 10 percent annually over the next 3 years.

West Germany is the major competitor of the United States for the Mexican market. In specific product lines, however, other countries have registered high market shares. In 1967, Japan accounted for 75 percent of the imports of wattmeters and the United Kingdom for 50 percent of refrigerator thermostat imports. France was the major supplier of velocity indicators.

Several factors contribute importantly to the maintenance of the dominant U.S. position in the Mexican market. The U.S. accounted for about 75 percent of all direct foreign investments in Mexico which totaled $1.75 billion in 1967. U.S. manufacturing subsidiaries or joint-ventures are prime targets for the adoption or expanded use of American instruments. Other important U.S. competitive advantages include the proximity of U.S. suppliers (prompt delivery and more effective service) and the fact that the United States is the major foreign location for the training of Mexican engineers.

U.S. Department of Commerce/ Bureau of International Commerce